SECURITIES

ANNUAL REPORT 2008

YATIRIM FİNANSMAN MENKUL DEĞERLER AŞ

A member of TÜRKİYE İŞ BANKASI group.

Contents

For the past 15 years, Yatırım Finansman has experienced a steady, and continuous, growth rate. Our success would not be possible without the support of our founders and shareholders, the dedication of our hardworking employees, and the trusted and valued relationships with our customers. As we celebrate our 32nd anniversary, we recognize that all of these elements together are the reason for our consistent growth. Our investments are geared towards continually improving our technological infrastructure in accordance with our human resources and quick customer service goals. We are recognized as the institution that sets, and then raises, the bar in the sector for customer-oriented quality service. Our workforce offers speedy service tailored to the specific demands of our customers. With the most advanced information technologies in the sector, we are able to produce unique and flexible solutions.

Wide Product Range

Holding a full range of capital market authorization certificates, Yatırım Finansman offers exemplary capital market brokerage and investment banking services to national and international individual and institutional investors.

Individual Services

- Discretionary Portfolio Management
- Investment Advisory Services
- Mutual Funds
- Stock Brokerage
- Securities Lending
- Government Bond and Treasury Bill Transactions
- Derivatives Exchange
- Eurobond Transactions
- Repo and Reverse Repo Transactions

Institutional Services

- Institutional Sales
- Privatization Consulting
- Mergers and Acquisitions
- Asset Management
- Initial and Secondary Public Offerings
- Private Placements
- Commercial Paper and Corporate Bond Issues
- Due Diligence Reports and Consulting

Service Channels

- Branches and Liaison Offices
- Special Transactions Center
- Internet Branch
- Telephone Branch

Yatırım Finansman in Brief

Yatırım Finansman (YF Securities), Turkey's first brokerage house, was founded on October 13, 1976 by 13 major banks, led by İşbank and the Industrial Development Bank of Turkey (TSKB). Achieving strong and stable growth since its inception, Yatırım Finansman has always been a pioneer in the capital markets and a symbol of trust throughout its 32-year history.

Yatırım Finansman is the pioneer of Turkey's capital markets:

- Turkey's first brokerage house
- Led the development of the capital markets before the enactment of the Capital Markets Law in 1981 and the opening of the Istanbul Stock Exchange in 1986
- Underwrote the first corporate bond issue in Turkey
- Played an important role in significant developments such as changing investment habits, the establishment of the Capital Markets Board (CMB) and the Istanbul Stock Exchange (ISE) as well as the introduction of stocks and government bonds as popular investment instruments

Yatırım Finansman's main goal is to maintain its lead in the Turkish capital markets with a robust shareholding structure, well-established distribution channels, wide product range, state-of-the-art technology, customer-oriented services and extensive experience.

Possessing a strong, extensive national service network, Yatırım Finansman offers swift, reliable, high-quality capital market services to individual and institutional investors in Turkey and around the world. The Company's service network is composed of 11 branches at major locations, liaison offices and agencies, CMB-licensed investment consultants and customer representatives, the Special Transactions Center (444 11 44), an Internet branch (www.yatirimfinansman.com) and a Telephone branch (444 11 44). Yatırım Finansman has become an indispensable strategic partner for public offerings, and is able to provide easy access to local and foreign institutional investors thanks to its large investor portfolio as well as its extensive branch network.

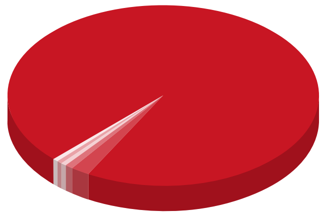
The Company's Head Office hosts Institutional Sales, Domestic Sales, Research, Asset Management and Investment Advisory departments to meet the needs of domestic and foreign institutional investors. The Corporate Finance Department offers investment banking solutions to companies and shareholders for raising funds on the capital markets.

Today, Yatırım Finansman is a leading brokerage house with more than 30,000 individual and corporate customers in Turkey and abroad, a customer portfolio of TL 699 million and a mutual fund portfolio of TL 113 million. With a resolution taken on March 17, 2008 at the General Assembly, the paid-in capital was increased from TL 30 million to TL 38.5 million; as of the end of 2008, Yatırım Finansman's total shareholders' equity amounted to TL 44.6 million.

Capital Structure, Shareholding Structure and Affiliates

Yatırım Finansman Shareholding Structure

Shareholder	Shareholding (TL)	Share (%)
Türkiye Sınai Kalkınma Bankası AŞ (TSKB)	36,875,736	95.78
TSKB Gayrimenkul Değerleme AŞ	713,663	1.85
T. Garanti Bankası AŞ	296,658	0.77
Anadolu Hayat Emeklilik AŞ	260,020	0.68
Şekerbank TAŞ	231,967	0.60
Others	121,956	0.32
Total	38,500,000	100

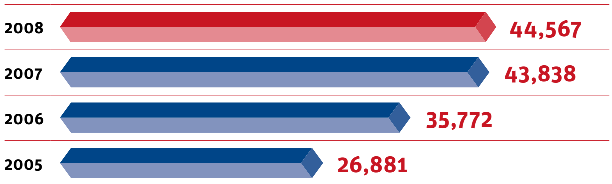


Yatırım Finansman is a member of the İşbank Group through its controlling shareholder, TSKB.

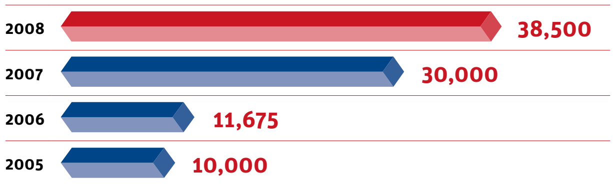
Yatırım Finansman Affiliates

Company	Capital (TL)	Share (%)
Yatırım Finansman Yatırım Ortaklığı AŞ	10,000,000	18.40
Takasbank AŞ	60,000,000	1.80
İş Portföy Yönetimi AŞ	21,000,000	4.90
TSKB Gayrimenkul Yatırım Ortaklığı AŞ	100,000,000	2.00

Yatırım Finansman Shareholders' Equity (TL thousands)



Yatırım Finansman Paid-in Capital (TL thousands)



Yatırım Finansman Investment Trust

Founded in 1998 under the leadership of Yatırım Finansman, Yatırım Finansman Investment Trust (Yatırım Finansman Yatırım Ortaklığı AŞ) went public in 1999. Initially, the Company offered 49% of its shares for trade on the Istanbul Stock Exchange; as of December 31, 2008, its free float reached 58.8%.

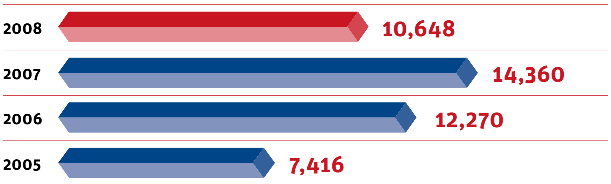
As of year-end 2008, the net assets value of Yatırım Finansman Investment Trust's investment portfolio stood at TL 10.7 million, and its capital was TL 10 million.

At the Extraordinary General Assembly held on November 27, 2008, it was resolved that Yatırım Finansman Investment Trust, along with all of its rights, receivables, obligations and liabilities, would merge with TSKB Investment Trust by virtue of dissolution by the latter. The merger decision was submitted to the Capital Markets Board and to the Competition Authority for approval.

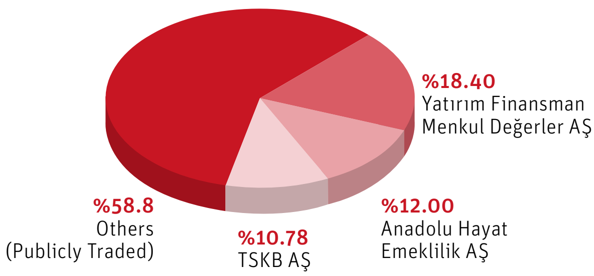
The merger procedure was authorized by the Competition Board at its meeting on February 4, 2009.

As of year-end 2008, the net assets value of Yatırım Finansman Investment Trust's investment portfolio stood at TL 10.7 million, and its capital was TL 10 million.

Yatırım Finansman Investment Trust
Net Assets Value (TL thousands)



Yatırım Finansman Investment Trust
Shareholding Structure (December 31, 2008)



Financial Highlights

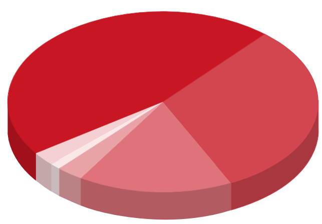
Summary of Balance Sheet Consolidated (TL)	December 31, 2008	December 31, 2007
Current Assets	**119,251,799**	**115,471,379**
Cash and Cash Equivalents	52,354,430	22,472,075
Financial Assets	25,080,052	45,437,749
Trade Receivables	38,406,921	44,384,932
Other Receivables	124,356	81,852
Other Current Assets	3,286,040	3,094,771
Fixed Assets	**7,727,784**	**1,911,638**
Financial Assets	5,900,109	0
Tangible Fixed Assets	1,084,493	1,443,381
Intangible Fixed Assets	299,962	261,658
Deferred Tax Assets	443,220	206,599
Total Assets	**126,979,583**	**117,383,017**
Short Term Liabilities	72,878,496	55,287,982
Long Term Liabilities	845,355	6,539,905
Total Liabilities	**73,723,851**	**61,827,887**
Minority Interest	8,688,804	11,717,545
Shareholders' Equity	44,566,928	43,837,585
Total Liabilities and Shareholders' Equity	**126,979,583**	**117,383,017**

Summary of Income Statement Consolidated (TL)	December 31, 2008	December 31, 2007
Operating Revenue	11,950,438	24,131,821
Operating Expense	(17,848,701)	(16,626,365)
Other Operating Revenue and Expenses (Net)	(56,024)	536,274
Financial Revenue and Expenses (Net)	3,893,224	3,563,403
Operating Profit (EBIT)	(2,061,063)	11,605,133
Taxes (-)	(252,644)	(1,762,112)
Net Profit	(2,313,707)	9,843,021

Distribution of Net Profit		
Minority Shares	(3,028,741)	1,705,060
Shareholders' Equity	715,034	8,137,961
	(2,313,707)	9,843,021

Customer Portfolio Composition (December 31, 2008) (TL thousands)

	Portfolio Size	%
Stocks	323,347	46.27
Bonds-Bills	218,579	31.28
Mutual Fund	112,607	16.12
Repo	20,858	2.98
Derivatives	7,105	1.02
Foreign Fixed Income Securities	16,267	2.33
Foreign Stocks	3	0.00
Total	**698,766**	**100.00**



Operational Highlights

Stock Market Transactions	2008	2007	2006	2005
Stock Market Trading Volume (TL thousands)	665,209,370	775,395,002	649,902,884	539,862,585
Stock Market Trading Volume (US$ millions)	509,853	594,309	453,052	394,148
YF Stock Trading Volume (TL thousands)	10,494,566	16,739,314	12,504,374	6,324,977
YF Stock Trading Volume (US$ millions)	8,076	12,830	8,717	4,706
Rank among All Brokerage Houses	22	13	17	23
Market Share (%)	1.58	2.16	1.92	1.17
Rank among Non-Bank Brokerage Houses*	10	4	6	11
Market Share (%)*	3.02	8.49	4.22	2.42

Bonds and Bills Market Transactions	2008	2007	2006	2005
Bonds and Bills Market Trading Volume (TL thousands)	1,185,358,287	1,036,079,805	1,002,816,843	885,368,173
Bonds and Bills Market Trading Volume (US$ millions)	912,235	794,113	699,071	659,689
YF Bonds and Bills Trading Volume (TL thousands)	21,265,541	22,077,723	24,994,602	16,396,019
YF Bonds and Bills Trading Volume (US$ millions)	16,366	16,922	17,424	12,199
Rank among All Brokerage Houses	12	13	11	12
Market Share (%)	1.79	2.13	2.49	1.85
Rank among Non-Bank Brokerage Houses*	2	2	2	2
Market Share (%)*	16.90	15.66	18.47	14.34

Derivatives Market Data	2008	2007	2006	2005
Derivatives Market Trading Volume (TL thousands)	415,925,201	236,070,886	35,752,842	870,549
Derivatives Market Trading Volume (US$ millions)	320,090	180,939	24,924	648
YF Derivatives Trading Volume (TL thousands)	7,751,128	3,091,329	566,919	36,115
YF Derivatives Trading Volume (US$ millions)	5,965	2,369	395	27
Rank among All Brokerage Houses	14	18	17	-
Market Share (%)	1.86	1.31	1.59	0.84
Rank among Non-Bank Brokerage Houses*	6	9	8	-

Customer Portfolio Size	2008	2007	2006	2005
Customer Portfolio Size (Last Day of the Year) (TL thousands)	698,766	966,812	877,657	886,255
Customer Portfolio Size (US$ millions)	487	674	612	618
Mutual Fund Portfolio Size (Last Day of the Year) (TL thousands)	112,607	149,577	113,377	165,454

(*) Commercial bank brokerage houses are not included.

Milestones

1976	• Yatırım Finansman, Turkey's first brokerage house, founded by 13 major banks, led by İşbank and the Industrial Development Bank of Turkey (TSKB).
1981	• Yatırım Finansman is the first brokerage house to broker a corporate bond issue. • Capital Market Law is enacted.
1984	• Capital Markets Board (CMB) established. • Yatırım Finansman authorized by the CMB for stock trading and brokerage in public offerings.
1985	• Trading on the Istanbul Stock Exchange (ISE) starts. • Yatırım Finansman becomes the ISE leader with a 42% market share.
1987	• Yatırım Finansman starts trading commercial papers, bank bonds and bank-guaranteed bonds.
1991	• ISE awards Yatırım Finansman for ranking third in terms of the number of transactions on the ISE Stock Market.
1992	• Yatırım Finansman authorized by the CMB for investment banking, portfolio management and repo services.
1993	Yatırım Finansman confirms its service quality and reliability by ranking first in corporate bond underwriting.
1994	• Yatırım Finansman expands its corporate finance services and launches public offering services. • Yatırım Finansman adds the Type A Investment Fund to its product range.
1995	• Yatırım Finansman adds the Type B Investment Fund to its product range. • Yatırım Finansman authorized by the CMB to perform securities lending, borrowing and short-selling transactions.
1997	• Yatırım Finansman establishes a special mutual fund.

1998	• Yatırım Finansman Investment Trust founded under the leadership of Yatırım Finansman.
1999	• Yatırım Finansman pioneers the creation of alternative distribution channels in the industry and launches telephone and Internet banking. • Yatırım Finansman adds the Type B Bonds&Bills Fund to its product range.
2002	• With its ever-growing investor base, Yatırım Finansman opens its tenth branch.
2003	• TSKB, the first private investment and development bank in Turkey, acquires 90.4% of Yatırım Finansman.
2005	• CMB authorizes Yatırım Finansman to trade in derivatives. The Derivatives Exchange (Turkdex) is launched. • Yatırım Finansman offers research and trading services to foreign institutional investors. • Yatırım Finansman's website is chosen the third best financial website by the Golden Spider Contest. • Yatırım Finansman changes its corporate identity and renews its 30-year-old logo. • Yatırım Finansman decides to take over TSKB Securities via a merger.
2006	• Yatırım Finansman celebrates its 30th anniversary. The 30th Anniversary Investor Meetings bring together investors from Ankara, Izmir and Antalya. Celebrations are concluded with the 30th Anniversary Night in Istanbul. • The corporate website and Internet Branch are re-launched with a new design and content. • Yatırım Finansman adds the YF Type B Variable Investment Fund to its product range. • Internet Branch introduces web-based VOBAktif application for easy trading on the Derivatives Exchange. • Yatırım Finansman acquires TSKB Menkul Değerler AŞ on December 29, 2006.
2007	• Yatırım Finansman launches another service channel at its Head Office, the Special Transactions Center. • SMS service introduced for Turkdex customers.
2008	• Yatırım Finansman offers investors the new VOBAktif system, enabling a quick and easy exchange of derivatives based on live data.

Message from the Chairman

Throughout its 32 years of experience, Yatırım Finansman, as a pioneer in the establishment of capital markets in Turkey, has maintained a substantial edge over the competition in terms of trust and confidence. Thanks to our extensive branch network, coupled with the expertise of our staff, we will continue to provide our broad investor base with high quality services as we maintain our position as the beacon of trust in the sector.

Due to the tremendous upheaval in global financial markets and its massive impact on the world economy, 2008 will be remembered as a critical turning point in history. Attempts to alleviate problems in credit markets since 2007 have had little impact. We are currently facing a systemic crisis with escalating issues.

The bankruptcy of the century old Lehman Brothers further deepened the crisis, causing global uncertainty coupled with a dramatic deterioration in financial markets. This situation forced many national governments around the world to provide financial institutions with direct capital or support them by other means. At the same time, it propelled central banks toward more flexible monetary policies.

Despite the global crisis, Turkish financial institutions successfully preserved their strong solid structures due to the lack of "toxic" asset-based securities on their balance sheets, lower level of leverage compared to their peers worldwide and perhaps most importantly, the structural reforms previously carried out during the restructuring process following the 2001 crisis.

However, last year's experiences have proved that the "disassociation" theses are invalid in an environment where growth declines throughout the world. Concurrent with the decline in the global rate of growth, from 5.2% to 3.4%, in the third quarter of 2008, the Turkish economy also slowed down to 0.5%, its lowest point in the last seven years. The increasing trend in inflation, which continued until mid-year, became disinflation following the decline in energy and food prices causing the CPI of 10% as of the year-end. The Central Bank was remarkably successful in its management of inflation toward the end of the year and brought policy rates down by 1.75 points, to 15%, during November and December.

It seems that declining growth, increasing unemployment and the need for external financing will become high priority problems requiring immediate solutions in the upcoming period. The IMF agreement currently under negotiation will help meet the country's external financing needs when it is concluded, indirectly alleviating the first two problems. It is clear that alternative funding resources are limited by seriously diminishing risk appetite and particularly, by lowering leverages around the world.

Even though some foreign brokerage houses had to exit the market in 2008, heavy competition in the financial brokerage sector has not eased off at all. Following the global crisis, trust and confidence were the most sought after assets in the financial markets. Throughout its 32 years of experience, Yatırım Finansman, a pioneer in the establishment of capital markets in Turkey, has maintained a substantial edge over the competition in terms of trust and consumer confidence. Thanks to our extensive branch network, in addition to the expertise of our staff, we will continue to provide high quality services to our broad investor base and will retain our position as the sector's beacon of trust.

Respectfully yours,

Halil Eroğlu

Board of Directors

			Term of Office
	Chairman		
1	**Halil Eroğlu**	TSKB General Manager	17.03.2003-
	Deputy Chairman		
2	**A. Orhan Beşkök**	TSKB Assistant General Manager	21.02.2002-
	Members		
3	**Şeniz Yarcan**	TSKB Assistant General Manager	17.03.2003-
4	**Çiğdem İçel**	TSKB Assistant General Manager	23.08.2004-
5	**Aslı Zerrin Hancı***	TSKB Treasury Director	07.01.2008-
6	**Hakan Aygen**	TSKB Corporate Finance Director	20.11.2006-
7	**Emre Duranlı****	İşbank Affiliates Department/Unit Manager	17.09.2008-
	Auditors		**Term of Office**
8	**Mehmet Sungun**	TSKB Risk Management Director	21.11.2007-
9	**Ayşe Alev Ataç**	İşbank Corporate Banking Product Department/Unit Manager	18.10.2006-
10	**Ayşe Nazlıca**	TSKB Budget and Planning Director	23.08.2004-

* *On January 7, 2008, Neşe Duygulu, TSKB Deputy Director of Securities, was replaced by Aslı Zerrin Hancı, TSKB Treasury Director.*

** *Fatma Güliz Aykan, İşbank Group Manager for Affiliates, was replaced by Emre Duranlı, Unit Manager of İşbank Affiliates Department, on September 17, 2008.*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Message from the General Manager

Yatırım Finansman's trading volume increased by 151%, while the trading volume in the Turkish Derivatives Exchange (Turkdex) increased by 76%. We left a very successful year behind in Turkdex; Yatırım Finansman was ranked 14th among 74 brokerage houses and banks in terms of trading volume.

The most serious global crisis since the depression of 1929 occurred in 2008, and many of the problems emerged during this period have been carried over into 2009. The chain of events began with defaults within the US mortgage loan sector and initially impacted markets in developed countries; it soon spread beyond developing countries. The high-risk derivative products created with high leverage financial engineering practices forced the world's largest investment banks to face bankruptcy, expropriation and mergers. The disappearance of global liquidity that has grown rapidly during the past four years, the malfunctioning of the credit markets and the rise of credit costs kept major industrial companies under the influence of the crisis.

The current situation started as a credit crisis and then moved rapidly into a liquidity and reliability crisis. With coordinated bailouts and intervention from many states and central banks worldwide, there was an enormous effort made to prevent this crisis from escalating into a systemic one. Increased public spending and implementation of Keynesian economic policies were found to be a way out of this crisis. By mid-2008, however, it was generally accepted that the world's developed economies had begun a process of global recession.

The global crisis changed the shape of derivative-based investment banking and 2008 marked the end of an era. The world's giant investment banks became a subsection within commercial banks. In the financial system during the new period in which auditing mechanisms will have a greater role, a new era will begin when risk within derivative products are redefined, while value-added products are created and favored.

It is anticipated that 2009 will be a tough year; borrowing needs will remain high while funding will be limited and costly. In addition, governmental budget deficits will skyrocket as revitalization efforts and capital aids are ongoing. The global recession will continue into 2009, alongside global disinflation. Although slight, the possibility of deflation, particularly in the US, might potentially worsen the recession process.

In addition to globally declining growth, rapid contraction in developed economies during 2009 will initiate a period of "wait and see" in the markets. Most probably, the desire to see the extent of economic contraction in these countries during the second quarter of the year will continue to keep risk appetite at a constant level.

The banking sector in Turkey was strengthened with reforms following the 2001 crisis. Hence, improved risk assessment and management practices, as well as the relatively underdeveloped state of high leverage products, reduced the impacts of the crisis on the financial sector in Turkey compared to other countries. In the forthcoming period, Turkey's growth will slow down parallel to the decline in global growth. While we left behind rising inflation triggered by the negative effects of oil and food prices in 2008, the disinflation process will continue concurrent to the targets for 2009.

Right after a period which adversely affected the entire world, especially the shrinkage in liquidity, it will not be possible to quickly return to 2007 levels. The expectation that global growth will rise in 2010 may eventually facilitate an upward trend in the markets during the last quarter of 2009.
During 2008, the ISE-100 index fell by 51.6% to 26,864 and trading volume in the equity market shrunk by 14%. The share of foreign investors in the free float fell from 72% to 67%, while their share in the trading volume rose from 24% to 29%.

Yatırım Finansman's trading volume increased by 151%, while trading volume in the Turkish Derivatives Exchange (Turkdex) increased by 76%. We left a very successful year behind in Turkdex, as Yatırım Finansman ranked 14th among 74 brokerage houses and banks in terms of trading volume.

Dwindling investments in capital markets signals an accelerating continuation of the consolidation process that began in the financial brokerage sector and points to further mergers and acquisitions. In this process, companies with solid equity capital, diversified service channels along with expertly qualified teams will expand their market share.

In the first nine months of 2008, even though the total shareholders' equity of the sector grew by only 3%, our Company's equity growth was 29%. For the past 15 years, Yatırım Finansman has experienced steady and continuous growth. The support of our founders and shareholders, the dedication of our employees within Yatırım Finansman's corporate culture and the trust of our customers have been major factors behind our success. As we celebrate our 32nd anniversary, we recognize that all of these factors have been responsible for our consistent growth. Our investments are geared toward continually improving our technological infrastructure together with our human resources and providing fast, efficient customer service. We have been recognized as the institution that sets, and then raises, the bar for customer-oriented quality services tailored to meet customer demands. Within the sector, our information technology is the most advanced, enabling us to produce unique and flexible solutions.

With our achievements in private portfolio management and investment funds, our branch network equipped with state-of-the-art technology and the most qualified staff, as well as our outreach to investors via a variety of service channels, including a special transactions center and an Internet branch, Yatırım Finansman is positioned to be favored by foreign investment banks and funds. Regardless of the conditions in 2009, Yatırım Finansman will remain a company that sets the standards in the sector, maintaining its national and international reputation, while at the same time, continuously increasing the quality of its brokerage services.

Cordially yours,

Y. Yamaç Berki

Senior Management

Avni Akkaya Assistant General Manager

Born in 1960, Avni Akkaya graduated from Kayseri Educational Institute and the Department of Management at Erciyes University, Economic and Administrative Sciences Faculty. He received his Master's degree from Marmara University, Banking and Insurance Institute. Akkaya started his career at the Kayseri Şeker Fabrikası AŞ and then served five years at the Ministry of Education, as well as three years at Erciyes University. He worked in various departments at Industrial Investment Bank from 1988-2002, then served as a Branch Manager at the Industrial Development Bank of Turkey (TSKB) from 2002 until 2003. Between 2003 and 2008, Akkaya was the Branch Manager at Yatırım Finansman's Samsun and Kozyatağı branches, where he currently holds the position of Assistant General Manager.

M. Saim Saatci Assistant General Manager

Born in 1960, Mehmet Saim Saatci graduated from the Department of Economics at Middle East Technical University in 1982 and earned his Master's degree at University College of North Wales, Bangor, UK. Serving as Internal Auditor at Türkiye İş Bankası between 1983 and 1992, Saatci was the director of the Reserves Management Group at the same bank from 1992 until 1999 and Deposits Manager from 1999 to 2000. Saatçi served as Assistant General Manager at İş-Tim Telekomünikasyon (Aria) from 2000 to 2004, and currently holds the position of Assistant General Manager of Yatırım Finansman.

Y. Yamaç Berki General Manager

Born in 1952, Y. Yamaç Berki graduated from the Faculty of Economics at Istanbul University. He started his career as an Assistant Economist at Akbank Headquarters and later worked at Türk Demir Döküm Fabrikaları AŞ for two years, specializing in standard costs and flexible budgeting. Joining the Industrial Development Bank of Turkey in 1981, Berki assumed several positions during his 23-years at this institution. Assigned to establish and structure a Treasury Department for the bank in 1988, he served first as Treasury Director and then as Assistant General Manager in Charge of Investment Banking. Berki was appointed General Manager of Yatırım Finansman in 2004.

Murat Tanrıöver Assistant General Manager

Born in 1969, Murat Tanrıöver graduated from Marmara University in 1992 and earned a Master's degree in finance from Louisiana State University. Starting his career as an Analyst at Türk Boston Bank in 1994, Tanrıöver went on to serve at the Industrial Development Bank of Turkey as a Specialist until 1997, when he became Manager at Yapı Kredi Investment up to 1999. From 1999 until 2005, he was Doğan Yayın Holding's Capital Markets Coordinator. Tanrıöver is currently Assistant General Manager at Yatırım Finansman.

Management

Executive Management

1 **Halis Akyıldız**
Manager, Financial Affairs and Operations

2 **Sultan Deliklitaş**
Manager, Sales

3 **Turgay Edizcan**
Manager, Human Resources and Planning

4 **C. Didem Helvacıoğlu**
Manager, Treasury-Funds-Portfolio Management

5 **Emre Birkan**
Manager, Institutional Sales and Trading

6 **Mehmet Sarılıcan**
Manager, IT

Branches/Liaison Offices

Dilek Akdemir
Head Office

Deniz Gözendor
Çiftehavuzlar Branch

Zerrin Öney
Kozyatağı Branch

Yeşim İpek
Kızılay Branch

A. Nihat Özel
İzmir Branch

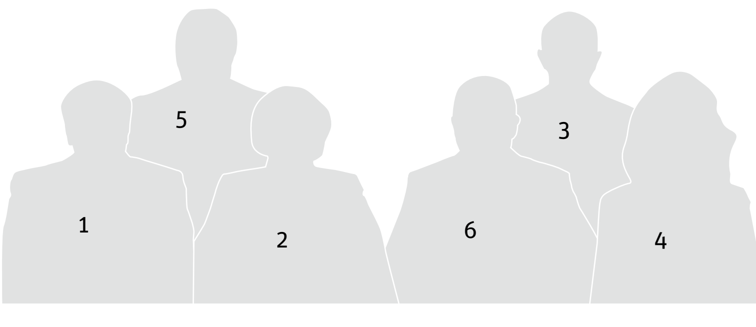
Meral Moral
Samsun Branch

Gülay Ünlü Çoruk
Bakırköy Liaison Office

Aylin Pişkinsoy
Bursa Liaison Office

Özlem Cevher
Adana Liaison Office

Timur Aşkın
Antalya Liaison Office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The Turkish Economy in 2008

In 2008, domestic politics affected economic indicators during the first half of the year. The global crisis, whose first sparks were seen in the US housing loan market during 2007, and the resulting collapse in the financial markets were determining factors starting in September. The Turkish economy experienced a strikingly high growth rate of 6.8% between 2002-2007. This was the result of an abundance of liquidity in international markets during the normalization process and following the substantial contraction in 2001; last year, however, its performance was at its lowest since 2001 due to the negative circumstances mentioned above.

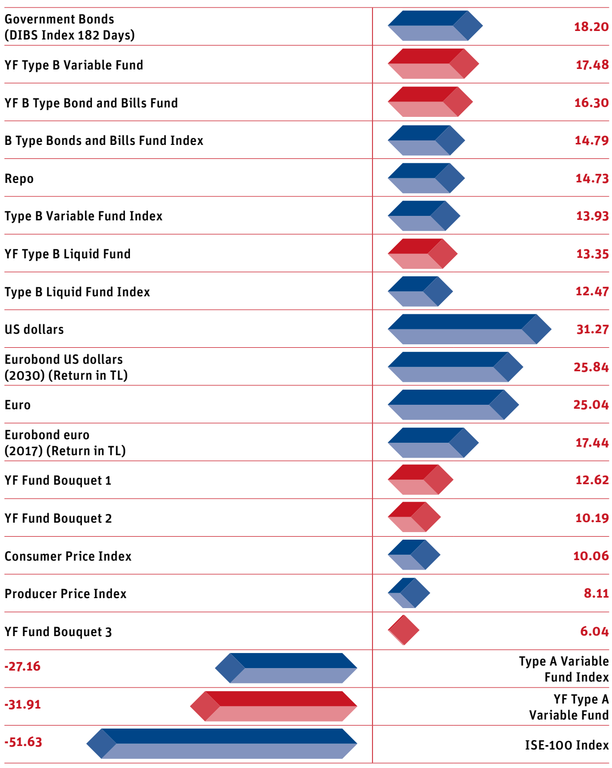
Two developments were the main factors for this low performance. Domestic demand was curtailed by the monetary contraction between May and July, before the monetary relaxation initiated by the Central Bank at the beginning of the year was thoroughly realized. In addition, the global financial crisis experienced during the last quarter further constrained domestic demand due to its devaluating effect on the Turkish lira, which also restricted the foreign demand substantially. It is estimated that the Turkish economy, which grew by only 3% after displaying a deteriorating performance in the first nine months of the year, entered a period of contraction in the last quarter while the growth rate of the GDP in 2008 receded to 1.0%.

Regarding inflation, the shock triggered by energy and food prices in the first half of the year resulted in the revision of governmental targets for the next three years and in the additional monetary contraction as previously mentioned. CPI inflation exceeded the 12% level in July, its highest level since 2003. Although the disinflation process was restarted in the months following a long recess, thanks to the sharp fall in energy and commodity prices around the world, as well as weak domestic demand, annual inflation with double digits just above 10% was recorded by the end of 2008. However, this did not prevent the Central Bank, which foresaw the extent of the disinflation process, from relaxing the policy rates by 175 basis points in the last two months of the year.

Due to the proactive approach of the Central Bank, market interest rates, which were around 20% for a long time during the year, went down quickly. Consequently, the indicative interest rate ended 2008 around 16.5%, after a five-point fall in the last two months. Meanwhile, the foreign exchange rate fluctuated throughout the year and the 25% loss in the value of TL was realized as of year-end. The contraction in the global liquidity and the sharp fall in the risk appetite following the bankruptcy of Lehman Brothers were the main reasons behind this loss.

As with inflation, foreign trade and balance of payments followed two different routes for the first and second six-month period. The energy import bill, which escalated parallel to the record-breaking price of crude oil (US$ 150 a barrel), carried the annual current account deficit to its highest ever level-US$ 49 billion in August. However, the 50% fall in energy and commodity prices in the last quarter, coupled with capital and consumer product imports rapidly decreasing in line with shrinking domestic demand, curbed the foreign trade deficit by an average 34% year-on-year and pulled the current account deficit down to US$ 41.4 billion.

Comparative Performance of the Investment Instruments
December 31, 2007-December 31, 2008



Expectations for the Turkish Economy in 2009

Yatırım Finansman foresees inflation being relegated to the backburner, while the top priorities on the economic agenda for 2009 will be growth and external financing needs. Expectations are that the Central Bank will continue pursuing a policy of monetary relaxation. It is predicted that any positive effect on domestic demand from monetary relaxation will be delayed and will remain limited due to global turbulence.

The consumer and industry trust indexes, automobile sales and other leading indicators support this view; private consumption and investment demand have not recovered despite the fall in interest rates. Public spending, due to its limited share (15%) of the national income, is not expected to contribute significantly to total growth. Global growth will crawl back to 0.5% according to the international official institutions, signaling very weak foreign demand compared to the previous year's demand. It is predicted that GDP growth will decline to-2% in 2009.

Weak domestic demand, coupled with Turkey's decreasing energy bill, will result in the continuation of the sharp recovery in the foreign trade balance despite the contracting export volume. It is estimated that the current account deficit at the end of the year will recede to US$ 22.1 billion, representing 3.6% of GDP. However, despite the fact that the current account deficit will be at the lowest level since 2005 on an annual basis, Turkey's concerns regarding foreign funding needs will remain at the top of its priorities list.

Considering the short and long-term total foreign debt Turkey will be paying, as well as its current account deficit, Yatırım Finansman predicts a foreign funding deficit of US$ 25-30 billion in 2009. Congestion in the international loan markets started in 2007 and has grown increasingly worse. It seems that a standby agreement involving the loan utilization to be concluded with the IMF could play a critical role.

Such an agreement with the IMF will relieve some of the pressure on the Turkish lira and potentially help a limited recovery after a sharp fall in value that took place during the last quarter of last year. Even though the transition from rates to prices is limited by weak demand conditions, it is hoped that this development will prevent the disinflation process from being interrupted. Energy inflation, which will recede in the first few months of 2009 due to reductions in natural gas prices, is expected to bring the Consumer Price Index down with the help of inflation in the service sector that will further decrease due to the weak progress of demand. Yatırım Finansman estimates the Consumer Price Index to fall to 7.0% by the end of 2009 and foresees that the Central Bank will, for the first time, reach its target under the official inflation-targeting model.

Review of Operations in 2008

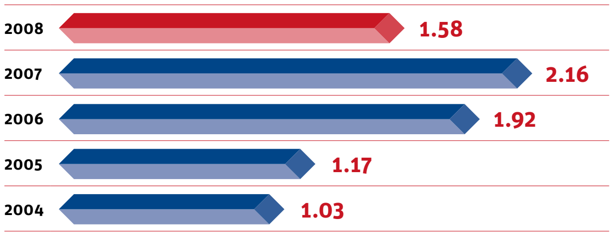
Istanbul Stock Exchange

Yatırım Finansman offers swift stock brokerage services through extensive service channels, accurate and reliable analyses, experience and expertise and state-of-the art technology infrastructure.

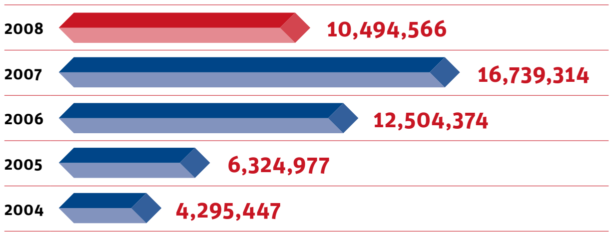
Trading volume on the ISE stock market decreased 14%, from TL 775 billion in 2007 to TL 665 billion in 2008.

The trading volume of Yatırım Finansman on the Istanbul Stock Exchange decreased 37%, from TL 16.7 billion in 2007 to TL 10.5 billion in 2008. Yatırım Finansman, which ranked 13th in 2007 with a market share of 2.16%, ranked 22nd in 2008 by grabbing a 1.58% share among 104 brokerage houses.

YF Stock Market Trading Volume Market Share (%)



YF Stock Market Trading Volume (TL millions)



Yatırım Finansman offers swift brokerage services through extensive service channels, accurate and reliable analyses, experience and expertise as well as state-of-the art technology infrastructure.

ISE Bonds and Bills Market

With well-trained, qualified dealers monitoring the markets on a day-to-day basis, Yatırım Finansman is able to offer the most competitive return on the Bonds and Bills market.

Total trading volume on the ISE Bonds and Bills Market in 2008, compared to 2007, totals of TL 1,036 billion; it increased 14% to reach TL 1,185 billion.

Yatırım Finansman, with a trading volume of TL 22 billion on the ISE Bonds and Bills Market in 2007, closed 2008 with TL 21 billion.

Yatırım Finansman ranked 12th among 104 brokerage houses in 2008 with a market share of 1.79%. It ranked second in terms of non-bank brokerage houses.

Mutual Funds

Funds Customized for Different Risk-Return Preferences

At Yatırım Finansman, mutual fund management is undertaken through an extensive network of traders, fund managers, senior executives, portfolio managers, economists and analysts. The main objective of fund management is to ensure higher returns for Yatırım Finansman funds compared to other funds of the same type and risk structure.

By the end of 2008, the portfolio size of the five mutual funds founded and managed by Yatırım Finansman reached TL 113 million. Type A Variable, Type B Liquid, Type B Bonds-Bills and Type B Variable funds, created and managed for different risk-return preferences (as well as combinations of these products), are offered to all investors who seek high returns but do not have sufficient time and/or market knowledge. In addition to these funds, Yatırım Finansman is the authorized dealer for all İşbank and TSKB funds. Yatırım Finansman offers funds customized for all potential risk-return preferences of investors. The Company is also the founder and manager of the Type A Resan Private-Label Fund.

Review of Operations in 2008

YATIRIM FİNANSMAN MUTUAL FUNDS	YF TYPE A VARIABLE	YF TYPE B BONDS AND BILLS	YF TYPE B LIQUID	YF TYPE B VARIABLE	YF TYPE A SPECIAL	TOTAL
Foundation Date	11.11.1993	03.12.1999	14.11.1997	24.03.2006	22.12.1997	
Offer Date	21.07.1997	09.02.2000	16.03.1998	01.06.2006	27.11.1998	
Total Value (TL thousands)	1,097	18,832	63,590	5,107	23,849	112,475
Unit Value (TL)	0.243968	0.122198	0.365416	0.015375	0.205601	
Number of Investors	631	446	12.667	49	2	13,795
Total Shares (thousands)	200,000	750,000	400,000	600,000	200,000	2,150,000
Shares in Circulation (thousands)	4,496	154,112	174,020	332,151	115,999	780,778
Occupation Rate (%)	2.25	20.55	43.50	55.36	58.00	36.32

YF TYPE A VARIABLE FUND	2008	2007	2006	2005
Total Value (TL thousands)	1,097	1,860	3,002	5,551
Return (%)	(31.91)	13.85	(0.40)	37.24
Fund Index Return (%)	(27.16)	22.77	4.94	31.77
Inflation (%)	10.10	8.39	9.65	7.72
Standard Deviation of the Fund*	1.08	0.90	1.12	0.94
Fund Index*	1.32	0.92	0.97	0.79

YF TYPE B BONDS AND BILLS FUND	2008	2007	2006	2005
Total Value (TL thousands)	18,832	35,133	18,408	52,199
Return (%)	16.30	16.79	9.04	15.63
Fund Index Return (%)	14.79	17.26	9.69	16.52
Inflation (%)	10.10	8.39	9.65	7.72
Standard Deviation of the Fund	0.11	0.08	0.14	0.12
Fund Index*	0.13	0.09	0.16	0.09

YF TYPE B LIQUID FUND	2008	2007	2006	2005
Total Value (TL thousands)	63,590	68,378	58,997	73,119
Return (%)	13.35	14.53	11.35	10.54
Fund Index Return (%)	12.47	13.78	11.06	10.12
Inflation (%)	10.10	8.39	9.65	7.72
O/N Repo	14.73	15.97	14.66	12.45
Standard Deviation of the Fund*	0.03	0.03	0.03	0.03
Fund Index*	0.03	0.03	0.03	0.02

YF TYPE B VARIABLE FUND **	2008	2007	2006	2005
Total Value (TL thousands)	5,107	7,851	2,133	0
Return (%)	17.48	19.67	9.36	-
Fund Index Return (%)	13.93	17.33	9.51	-
Inflation (%)	10.10	8.39	9.65	-
Standard Deviation of the Fund*	0.15	0.13	0.13	-
Fund Index *	0.14	0.10	0.22	-

YF TYPE A SPECIAL FUND	2008	2007	2006	2005
Total Value (TL thousands)	23,849	36,168	30,760	33,634
Return (%)	(34.06)	17.58	(0.11)	79.08
Fund Index Return (%)	(14.74)	22.09	5.03	43.68
Inflation (%)	10.10	8.39	9.65	7.72

Source: Rasyonet

* *Standard Deviation is a metric that measures the deviation of daily return from average return. Standard Deviation of Return represents market risk.*

** *Type B Variable Fund was offered to the public on June 1, 2006, and the 2006 return indicates the return from this date until the end of the year.*

With experienced, well-trained employees and a robust technological infrastructure, Yatırım Finansman aims for a major share of the growth of the Derivatives Exchange Market. In 2008, Yatırım Finansman achieved a trading volume of TL 7.8 billion and a 1.86% market share on Turkdex, representing a 151% increase compared to its TL 3.1 billion trading volume in 2007.

Derivatives Market

As one of its founders, Yatırım Finansman has been a member of Turkdex (Derivatives Exchange) since its establishment in 2005.

Product diversity and trading volume were insufficient in the first years of Turkdex. However, in 2006 the market started to deepen and volume expanded; it now displays very rapid growth, although the volume has not yet reached anticipated levels. A growing trade volume attracts foreign investors, which will in turn lead to further growth in volume.

With experienced well-trained employees and a robust technological infrastructure, Yatırım Finansman aims for a major share of the future growth of Turkdex.

In 2007, trading volume on Turkdex was TL 236 billion, which increased by 76% in Turkish lira terms, to reach TL 416 billion in 2008.

In 2008, Yatırım Finansman achieved a trading volume of TL 7.8 billion and a 1.86% market share in Turkdex, representing a 151% increase compared to its TL 3.1 billion trading volume in 2007.

Yatırım Finansman's investments in the derivatives market in 2008 may be classified into three groups:

- Technology/VOBAktif
- Customers/Turkdex Seminars
- Human resources/Training

Review of Operations in 2008

Discretionary Portfolio Management

Yatırım Finansman offers discretionary portfolio management services to investors who desire to structure their own risk profile but lack the time or knowledge to identify opportunities in the markets. With a dynamic portfolio management approach and an effective market vision, Yatırım Finansman aims to create high value-added for investors. Risk management, liquidity and diversification are the three pillars of discretionary portfolio management.

Institutional Sales and Trading

Yatırım Finansman extended its brokerage services to the foreign institutional brokerage community in 2005. The Company's international customers are comprised of foreign-based brokerage houses, hedge funds and long-term investment funds. Yatırım Finansman's international brokerage services, always adhering to international standards in the sector, have displayed remarkable progress since 2005. Yatırım Finansman attained an extensive foreign institutional customer base in a relatively short period; its trading volume, as well as its share in international transactions, increased significantly. The Company owes this success to its emphasis on creating timely, high quality and value-added services and an experienced and competent research team that is able to bring about new investment ideas. In the coming years, the trading volume and number of international institutional investors are expected to increase at a rapid pace.

Research

In addition to domestic and international economic and political developments, which have an impact on the value of all investment instruments, the performance of the companies and sectoral developments all play an important role in the dynamics of equity markets. All these factors must be monitored closely and professionally to obtain the highest possible return on investment instruments.

For this reason, Yatırım Finansman Research Department keeps a close eye on macroeconomic and political developments and interprets them wisely. Companies with reliable and transparent balance sheets are given priority in stock analyses. Great value is attached to research at Yatırım Finansman, which provides its customers with technical and basic analytical data presented in a simple and easy-to-understand manner.

In 2008, the Research Department continued to play an active role in recruiting and meeting the needs of both domestic and international institutional investors. Consistently aware of the significance of producing value-added information and advising investors accurately in the face of increasing competition, Yatırım Finansman's research activities target both internal and external customers. Internal research caters specifically to the needs of the Fund Management and Portfolio Management departments. The target audience for external research is generally international fund managers, traders and local customers trading at the branches. Research reports and commentaries are distributed to a wide customer base via telephone, e-mail, the Bloomberg system, the Company's website and one-on-one personal visits.

Best-quality research products consist of company and industry specific reports in Turkish and English, daily and weekly bulletins and macro and quantitative analysis reports. Careful implementation of global analysis methodologies, diligent evaluations and Yatırım Finansman's unique interpretative perspective together enrich the quality and the content of the reports. Yatırım Finansman possesses a team not only capable of closely monitoring the economy in macroeconomic terms, but one that can also make accurate predictions based on detailed analyses. In addition to providing periodical reports, the team also prepares reports tailored to domestic and international clients.

Yatırım Finansman's Research Department keeps a close eye on macroeconomic and political developments, interpreting them wisely. Companies with reliable and transparent balance sheets are given priority in stock analyses. Yatırım Finansman attaches great value to research and provides its customers with technical and basic analytical data that are presented in a simple and easy-to-understand format.

Corporate Finance

Competitive Edge of Yatırım Finansman's Corporate Finance Practices

With a broad customer base accessed via an extensive branch network, 32 years of experience and deep-rooted relationships built with foreign corporate investors, Yatırım Finansman has an unparalleled competitive edge on corporate finance activities, particularly public offerings.

Corporate Finance Services

Yatırım Finansman has a unique position in the corporate finance industry with its experienced associates, well-deserved reputation in domestic and international markets, high-quality and comprehensive consultation services and solutions customized for local and foreign institutional investors.

The target audience for corporate finance services consists of medium and large-scale companies operating in high-growth sectors looking for new resources. Yatırım Finansman provides consultation services at both buy-side and sell-side transactions for foreign institutional investors and fund managers domiciled abroad.

Corporate Finance by Yatırım Finansman

- The most popular corporate finance instrument in Turkey is public offerings. Yatırım Finansman's team offers excellent services from the preparation of customers to the structuring of the IPO, using the Company's extensive sales channels and advanced technological solutions.

- Yatırım Finansman has acted as a consortium member in numerous privatization projects and offers prudent and selective corporate finance solutions.

- Yatırım Finansman also offers consulting and brokerage services for mergers and acquisitions, strategic/financial partnerships, due diligence, financial consulting, capital increases, dividend payments, secondary public offerings, restricted sales, intermediation of shareholder sales and execution of tender calls.

Corporate Finance Services in 2008

Yatırım Finansman, which realized the first IPOs in Turkey, was involved in the 2008 public offering of Turkish Telekom. 2008 was noted for its lack of corporate finance projects, not only for our Company, but also for the entire sector.

Investor Base and Service Channels

The Company is successful with respect to the capital markets because it offers uninterrupted high-quality services at its twelve branches and liaison offices in seven major cities, a Special Transactions Center and a telephone and Internet branch.

Yatırım Finansman serves an extensive investor base with reliable value-added operations. The Company's target audience includes all investors who would like to invest their savings in capital market instruments but do not have the time or knowledge to monitor markets and therefore seek customized and reliable services. The Company serves large-scale investors through various channels and reaches small and medium-scale investors through its Special Transactions Center and an Internet and telephone branch.

With high service quality and state-of-the-art technology, Yatırım Finansman gives its customers the opportunity to access and trade on the stock market through various channels. The Company is successful in the capital markets because it offers uninterrupted high-quality services at its twelve branches and liaison offices in seven major cities, a Special Transactions Center and an Internet and a telephone branch. Thanks to these channels, investors are able to make inquiries on the markets, get guidance and buy or sell shares through customer representatives or directly over the Internet or via the telephone branch. CMB-licensed investment consultants assist investors at the Head Office and branches in the purchase and sale of all types of capital market instruments.

Each Yatırım Finansman branch has two to five special trading rooms. Customers monitor markets utilizing a special computer and data terminals and send their orders to traders on the floor or directly to the ISE using the YFAS Trade software application.

Yatırım Finansman Internet Branch

www.yatirimfinansman.com
Yatırım Finansman provides investors with many Internet functions so they can carry out transactions at any time, from anywhere in the world. One of the first brokerage houses to launch an Internet branch, Yatırım Finansman offers a full range of online investment services. The Internet branch features an information and analysis portal with rich content and a transaction platform capable of handling all types of investment transactions. The Internet branch also offers an advanced investment platform to investors who closely monitor markets and make their investments online.

The BrokerAktif and VOBAktif applications offered on the Internet branch give Yatırım Finansman a significant competitive edge by enabling investors to trade on the ISE and the Turkdex swiftly and easily. Thanks to these applications, developed by the Company's IT Department and with the support of the ISE and Turkdex Real-Time Data (JavaMatrix), customers are able to trade swiftly and monitor price changes in real time.

Another solution developed by the IT Department is the YFAS Trade program installed on computers in special trading rooms or on the clients' personal computers. This product allows customers to monitor sessions and make their transactions much faster compared to other investors.

Thanks to BrokerAktif, VOBAktif and YFAS Trade, investors access market sessions regardless of where they are and make swift and secure transactions.

Services Available on the Internet Branch
Real-Time Stock Market Data
Research Analysis Portal
Stock Trading
Mutual Fund Transactions
Government Bond and Treasury Bill Transactions
Public Offerings
Repo Transactions
EFT and Wire Transfers
Other Investment Transactions and Inquiries

Special Transactions Center

444 11 44
Yatırım Finansman has always offered high-quality and timely services best able to meet the needs of their clients. In line with this commitment, the Special Transactions Center was established at the Head Office to offer swift, high-quality brokerage services to investors. The Center targets investors who do not receive investment advisory or portfolio management services and prefer to utilize investment specialists, instead of interactive channels such as telephone or Internet banking.

The Special Transactions Center offers brokerage services for stocks, mutual funds, government bonds, treasury bills, repos, transfers/EFTs, public offerings and other investment account services. Only CMB-licensed consultants are employed at the Center, which can be accessed by dialing 444 11 44.

Risk Management

Internal Audit and Risk Management Systems

Since its inception, prudent risk management has been one of the most important building blocks of Yatırım Finansman's corporate culture. Risk management activities include the identification, measurement, minimization and management of risk.

With its Risk Management System, Yatırım Finansman aims to monitor, control and when necessary, change the nature and level of its activities, considering its financial structure and risk-return balance involving future cash flow. This system requires the identification and swift implementation of mechanisms on standard-setting, information, compliance, decision-making and implementation.

The Risk Committee systematically manages the risk encountered by the Company and then reports directly to the Board of Directors; it operates independently. It is chaired by the Director responsible for Internal Control; its members include the Assistant General Managers, the Treasury Officer, the Sales Manager and the Fiscal Affairs and Operations Manager. In addition to these members, other individuals and managers may contribute for a period of time, either definite or indefinite, provided that their function is limited to advisory tasks and as long as they do not participate in the decision-making process.

The internal audit system is a process composed of internal control and inspection. The internal control system aims to ensure that all acts and transactions of Yatırım Finansman, including its branches, are carried out efficiently, effectively and in compliance with the Company's management strategies and policies as well as with applicable legislation. This system ensures the integrity and reliability of accounts and records and the timely and accurate availability of data. The system also identifies and prevents any mistake, fraudulence and compliance deficiencies. The internal control system includes the organizational plan and relevant principles and procedures of the brokerage house.

The Inspection Department acts independently of day-to-day activities and through inspectors monitors compliance with applicable legislation and corporate policies, according to the needs of the management and structure of the Company. The Inspection Department is responsible for the smooth functioning of the internal control system as well as all other activities and units. The Department conducts inspections, examines, monitors and reports evidence and findings.

Human Resources

Committed to Human Resources

Human resources are a most valuable asset within capital markets. Yatırım Finansman always keeps in mind that the key to sustainable success and constant customer satisfaction is the quality of its people.

In line with its human resources policy, a merit-based compensation plan has been adopted, using performance evaluations twice a year. In these performance evaluations, the professional and basic competencies of employees and their achievement rates are evaluated both by the employee and by his/her supervisors. Employees are paid a basic salary and a benefit package composed of position allowances, five bonuses a year, achievement bonuses, health insurance, transportation and free lunches.

The Company's transparent evaluation system, fair compensation policy, investments in personal and carrier development of employees, well-equipped and comfortable workplaces and social events help keep turnover rates low and motivation high.

Recruitment

The recruitment process is composed of various stages handled with the utmost care and diligence. Openings are filled by candidates from inside or outside the Company. Candidates are evaluated in a preliminary interview which is then followed by an interview with the Personnel Committee. Necessary control mechanisms are in place to ensure the optimum result for each position. Even local recruitment by branches is conducted under the supervision of the Head Office. The Company's website, www.yatirimfinansman.com also accepts job applications.

Training Programs

The key to Yatırım Finansman's success is to recruit employees who are able to understand the needs of customers while offering high-quality services and to continuously support these employees with the optimum training.

Yatırım Finansman is well aware that maintaining a long-lasting position in the finance industry is only possible through continuous development and learning. Accordingly, the Company organizes training programs to develop the professional and personal skills of its employees.

Number of Employees and Branches

	2008	2007	2006	2005
Head Office	72	69	67	57
Branches	61	61	63	64
Investment Trust	3	3	3	3
Total number of employees	136	133	133	124
Number of branches	10	10	10	10

The Company's training strategy aims to:

- Train the right person, at the right time, with the right method, for the right job
- Provide career-linked training
- Ensure that members of the Yatırım Finansman family believe in the success of teamwork and possess strong communications skills
- Strengthen the sense of being part of a large family

Employees are invited to participate in training programs offered in-house or to enroll in training programs held by independent training firms in Turkey and abroad.

Yatırım Finansman increases its investments in training from year to year. To support employees' development in accordance with their career plans, priority is given to training programs offered by professional organizations such as the Banks Association and the Brokerage House Association. Employees are also offered in-house training on motivation and personal development. The Company makes use of outsourced courses to give hands-on-learning opportunities to employees. In 2009, the Company will prioritize courses held abroad.

Courses to improve motivation and develop personal skills contribute to the harmony among employees. Employees from different departments find the opportunity to come together and strengthen their relationships during these courses.

Training in 2008

Number of trainees	78
Total duration of training (hours)	1,774
Training per person (hours)	12.94

Personal Development Training	**34**
Professional Training	**102**
Derivatives & Futures	4
License Renewal	53
Finance	29
Sales and Marketing	8
Economics	1
Human Resources	3
Treasury	1
Management	23
Accounting	1
Operations	3
Psychology	11

Information Technology

Yatırım Finansman offers its high-tech solutions and its expertise in capital markets to domestic and international individual and institutional investors.

Yatırım Finansman is one the few brokerage houses in the industry that uses in-house software applications. This brings great flexibility and operational simplicity in customer transactions and allows the Company to take into account customer needs and to develop customized solutions in product development process.

Yatırım Finansman has a large, experienced IT team capable of meeting the technology needs of the future. Members of the IT team are able to develop complete software applications for the infrastructure of the Company. When necessary, the IT team cooperates with the Company's solutions partners as well.

Yatırım Finansman has built its IT infrastructure using Turkish and international hardware brands renowned for their reliability. The Company continued to invest heavily in IT technology during 2008. It has updated its website and Internet security utilizing the latest technology and keeps backups of all customer information and transactions at another center.

Board of Auditors' Report

To the General Assembly of Yatırım Finansman Menkul Değerler AŞ

Name of Company	:	Yatırım Finansman Menkul Değerler AŞ
Head Office	:	Istanbul
Capital	:	TL 38,500,000-(thirty eight million five hundred thousand)
Line of Activity	:	Brokerage in Capital Markets
Term of Office of Auditors	:	1 year
Auditors' Shareholding	:	None
Name, Address of Auditors	:	**Ayşe Alev Ataç** T. İş Bankası AŞ Group Manager for Foreign Affairs 4. Levent, Istanbul **Mehmet Sungun** T. Sınai Kalkınma Bankası AŞ Risk Management Director Fındıklı, Istanbul **Ayşe Nazlıca** T. Sınai Kalkınma Bankası AŞ Budget and Planning Director Fındıklı, Istanbul

Pursuant to Paragraphs 3 and 4 of Article 353(1) of the Turkish Commercial Code, Yatırım Finansman Menkul Değerler AŞ was audited four times during the year. As a result of these audits, the Company's inventories were found to be in conformity with its records and its books and records were found to be in compliance with the requirements of the Turkish Commercial Code and the Tax Procedure Law.

We have audited the accounts and transactions of the Company between December 31, 2007 and December 31, 2008, in accordance with the Turkish Commercial Code, the Company's Articles of Association, other applicable legislation, GAAP and GAAS.

In our opinion, the accompanying balance sheet as of December 31, 2008 presents accurately, in all material respects, the actual financial standing of the Company as of said date. The profit-and-loss statement for the period between December 31, 2007 and December 31, 2008 accurately reflects the actual operating results of said period and the dividend proposal is in compliance with applicable laws and the Company's Articles of Association.

We submit the balance sheet and profit-and-loss statement to your approval and request the release of the Board of Directors of their liabilities.

Board of Auditors

Ayşe Alev Ataç **Mehmet Sungun** **Ayşe Nazlıca**

YATIRIM FİNANSMAN
MENKUL DEĞERLER A.Ş.
CONSOLIDATED
FINANCIAL STATEMENTS
AND NOTES FOR THE
YEAR ENDED
31 DECEMBER 2008

Deloitte

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To The Board of Directors of
Yatırım Finansman Menkul Değerler A.Ş.
İstanbul

INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR 1 JANUARY 2008-31 DECEMBER 2008

We have audited the accompanying consolidated financial statements of Yatırım Finansman Menkul Değerler A.Ş. (the "Company") and its subsidiary (together the "Group") comprising the consolidated balance sheet as of 31 December 2008 and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Yatırım Finansman Menkul Değerler A.Ş. and its subsidiary as of 31 December 2008 and their financial performance and their cash flows for the year then ended in accordance with the financial reporting standards published by the Capital Markets Board.

İstanbul, 9 March 2009

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of DELOITTE TOUCHE TOHMATSU

Hasan Kılıç
Partner

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiary

Audited Consolidated Balance Sheet
As of 31 December 2008

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

	Note	Current Period 31 December 2008	Prior Period 31 December 2007
ASSETS			
Current Assets		**119.251.799**	**115.471.379**
Cash and cash equivalents	6	52.354.430	22.472.075
Financial assets	7	25.080.052	45.437.749
Trade receivables	10	38.406.921	44.384.932
Other receivables	11	124.356	81.852
Other current assets	26	3.286.040	3.094.771
Non-current Assets		**7.727.784**	**1.911.638**
Financial assets	7	5.900.109	-
Tangible fixed assets	18	1.084.493	1.443.381
Intangible fixed assets	19	299.962	261.658
Deferred tax assets	35	443.220	206.599
TOTAL ASSETS		**126.979.583**	**117.383.017**

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

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiary

Audited Consolidated Balance Sheet

As of 31 December 2008

(Amounts are expressed in Turkish Lira [“TL”] unless otherwise indicated.)

	Note	Current Period 31 December 2008	Prior Period 31 December 2007
LIABILITIES			
Current Liabilities		**72.878.496**	**55.287.982**
Financial liabilities	8	18.073.852	5.009.417
Trade payables	10	52.382.363	47.752.437
Other payables	11	1.833.713	1.807.842
Provisions	22	65.356	-
Current tax payable	35	142.333	461.253
Provisions related to employee benefits	24	353.220	216.839
Other current liabilities	26	27.659	40.194
Non-current Liabilities		**845.355**	**6.539.905**
Financial liabilities	8	-	5.827.941
Provisions related to employee benefits	24	845.351	711.961
Other non-current liabilities		4	3
EQUITY	**27**	**53.255.732**	**55.555.130**
Shareholders’ Equity		**44.566.928**	**43.837.585**
Paid-in capital	27	38.500.000	30.000.000
Inflation adjustment to share capital		3.795	3.795
Premium in excess of par		1.107	1.107
Valuation funds	27	851.532	837.223
Legal reserves	27	1.009.041	631.481
Special reserves	27	804	426.804
Retained earnings/(accumulated losses)	27	3.485.615	3.799.214
Net profit/(loss) for the period		715.034	8.137.961
Minority Interest		**8.688.804**	**11.717.545**
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		**126.979.583**	**117.383.017**

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiary

Audited Consolidated Statement of Income
For the Year Ended 31 December 2008

(Amounts are expressed in Turkish Lira [“TL”] unless otherwise indicated.)

	Note	Current Period 31 December 2008	Prior Period 31 December 2007
CONTINUED OPERATIONS			
Revenue	28	2.192.183.087	2.783.369.612
Cost of sales (-)	28	(2.180.232.649)	(2.759.237.791)
GROSS PROFIT/(LOSS)		**11.950.438**	**24.131.821**
Marketing, sales and distribution expenses (-)	29	(981.861)	(1.115.105)
General administrative expenses (-)	29	(16.866.840)	(15.511.260)
Other operating income	31	690.353	564.431
Other operating expenses (-)	31	(746.377)	(28.157)
OPERATING PROFIT/(LOSS)		**(5.954.287)**	**8.041.730**
Finance income	32	7.268.884	3.786.784
Finance expenses (-)	33	(3.375.660)	(223.381)
PROFIT/(LOSS) BEFORE TAXATION FROM CONTINUED OPERATIONS		**(2.061.063)**	**11.605.133**
Tax benefit/(charge) from continued operations			
-Current tax benefit/(charge)	35	(492.842)	(1.822.867)
-Deferred tax benefit/(charge)	35	240.198	60.755
		(252.644)	(1.762.112)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUED OPERATIONS		**(2.313.707)**	**9.843.021**
PROFIT/(LOSS) FOR THE PERIOD		**(2.313.707)**	**9.843.021**
Attributable to:			
Minority interest		**(3.028.741)**	**1.705.060**
Equity holders of the parent		**715.034**	**8.137.961**
		(2.313.707)	**9.843.021**

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

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiary

Audited Consolidated Statement of Changes in Shareholders' Equity
For the Year Ended 31 December 2008

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

	Paid-in capital	Premium in excess of par	Valuation funds	Inflation adjustment to share capital	Legal reserves	Special reserves	Net profit /(loss) for the period	Retained earnings/ (accumulated losses)	Total equity attributable to equity holders of the Parent	Minority interest	Total
Balance as of 1 January 2007	**11.675.000**	**1.107**	**1.336.301**	**12.703.795**	**386.186**	**-**	**4.911.000**	**4.758.509**	**35.771.898**		
Transfer to retained earnings	-	-	-	-	-	-	(4.911.000)	4.911.000	-		
Transfer to reserves	-	-	-	-	245.295	-	-	(245.295)	-	-	-
Capital increase (internal sources)	18.325.000	-	-	(12.700.000)	-	-	-	(5.625.000)	-	-	-
Gain on sale of the subsidiary to be transferred to the capital	-	-	-	-	-	426.804	-	-	426.804	-	426.804
Decrease in value of securities available for sale (net)	-	-	(499.078)	-	-	-	-	-	(499.078)	-	(499.078)
Net profit for the period	-	-	-	-	-	-	8.137.961	-	8.137.961	1.705.060	9.843.021
Balance as of 31 December 2007	**30.000.000**	**1.107**	**837.223**	**3.795**	**631.481**	**426.804**	**8.137.961**	**3.799.214**	**43.837.585**	**11.717.545**	**55.555.130**
Balance as of 1 January 2008	**30.000.000**	**1.107**	**837.223**	**3.795**	**631.481**	**426.804**	**8.137.961**	**3.799.214**	**43.837.585**	**11.717.545**	**55.555.130**
Transfer to retained earnings	-	-	-	-	-	-	(8.137.961)	8.137.961	-	-	-
Capital increase (internal sources)	8.500.000	-	-	-	-	(426.000)	-	(8.074.000)	-	-	-
Transfer to reserves	-	-	-	-	377.560	-	-	(377.560)	-	-	-
Decrease in value of securities available for sale (net)	-	-	14.309	-	-	-	-	-	14.309	-	14.309
Net profit for the period	-	-	-	-	-	-	715.034	-	715.034	(3.028.741)	(2.313.707)
Balance as of 31 December 2008	**38.500.000**	**1.107**	**851.532**	**3.795**	**1.009.041**	**804**	**715.034**	**3.485.615**	**44.566.928**	**8.688.804**	**53.255.732**

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

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiaries
Audited Consolidated Statement of Cash Flows
For the Year Ended 31 December 2008
(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated.)

	Note	Current Period 31 December 2008	Previous Period 31 December 2007
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/(loss) for the period		(2.313.707)	9.843.022
Adjustments to reconcile net income to net cash provided by operating activities:			
Increase/(decrease) on financial assets		659.862	(1.241.573)
Depreciation and amortization charges	18, 19	502.922	637.283
Retirement pay provision	24	281.577	156.804
Discount of loan interest expenses	8	512.350	13.858
Unused vacation accrual	24	136.381	143.718
Provisions	22	65.356	-
Gains on free capital issue of available for sale financial assets		-	(294.000)
Deferred tax effect on available for sale financial assets		-	26.267
(Gains)/losses on sale of available for sale financial assets		-	(142.268)
Provision for doubtful receivable	10	542.873	-
Losses/(gains) from sale of tangible assets		-	(80.070)
Interest accruals on time deposits and reverse repos	6	(269.164)	(170.605)
Tax charge	35	252.644	1.762.112
Cash flows generated from operating activities before changes in working capital		371.094	10.654.548
Change in financial assets at fair value through profit or loss	7	14.315.613	(9.647.103)
(Increase)/decrease in trade receivables	10, 12	5.435.138	34.107.652
(Increase)/decrease in other receivables	11, 26	(233.773)	12.373.307
Increase/(decrease) in trade payables	10	4.629.926	(25.719.582)
Increase/(decrease) in other payables	11, 26	13.336	814.601
Taxes paid	35	(811.762)	(1.619.133)
Retirement pay paid	24	(148.187)	(79.911)
Cash flows generated from operating activities		**23.571.385**	**20.884.379**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of available for sale financial assets	7	(500.000)	(1.300.000)
Sales of available for sale financial assets		-	3.580.417
Proceeds on sale of tangible fixed assets		-	104.088
Acquisitions of tangible and intangible fixed assets	18, 19	(182.338)	(534.004)
Cash flows provided from/(used in) investing activities		**(682.338)**	**1.850.501**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds/(payments) of financial liabilities (net)	8	6.724.144	(1.368.500)
Net cash provided from financing activities		**6.724.144**	**(1.368.500)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**29.613.191**	**21.366.380**
CASH AND CASH EQUIVALENS AT THE BEGINNING OF PERIOD	**6**	**22.301.470**	**935.090**
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	**6**	**51.914.661**	**22.301.470**

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

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiaries
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2008
(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated)

1. GROUP'S ORGANIZATION AND OPERATIONS

Yatırım Finansman Menkul Değerler A.Ş. ("the Company") operates in Turkey and its headquarters is located in Nispetiye Cad. Akmerkez E-3 F: 4, Etiler/İstanbul. The Company started its operations on 25 October 1976. Türkiye Sınai Kalkınma Bankası A.Ş. owns 95,78% of the Company shares and it has been operating under Türkiye İş Bankası A.Ş. Group.

The Company's shares are not traded on the Istanbul Stock Exchange.

Main operations of the Group are explained as below:

Yatırım Finansman Menkul Değerler A.Ş.:

The main business of the Company is to perform capital market activities in accordance with the Articles of Association and Capital Markets Law numbered 2499. In this respect, the Company performs the following services for its clients; brokerage activities of the capital market instruments that were offered to the public before or sales to investors of the initially offered capital markets instruments and the trading of such securities during public offering, trading of marketable securities with repurchase or sale commitments, portfolio management, investment advisory, margin trading; short-selling, borrowing-lending and acting as an intermediary and custodian for the purchase and sale of derivative instruments.

Yatırım Finansman Yatırım Ortaklığı A.Ş.:

The purpose of Yatırım Finansman Yatırım Ortaklığı A.Ş. which is included in the consolidation, is to manage capital market instruments and gold or other precious metal portfolio in the local or international markets or over-the-counter markets, without having the control of management and capital of the investees, under the Capital Markets law No:2499 as amended by Law No:3794 and related legislation.

As of 31 December 2008, the total number of the employees of the Group is 136 of which 133 belong to the Company and the remaining 3 employees belong to the Company's subsidiary, Yatırım Finansman Yatırım Ortaklığı A.Ş. (31 December 2007: 130 employees belong to the Company and 3 employees belong to the Company's subsidiary, Yatırım Finansman Yatırım Ortaklığı A.Ş., totaling to 133).

The nature of the operations and the percentage of ownership of the subsidiary included in the consolidation are as follows:

	Foundation year	Voting Power	Nature of Business
Yatırım Finansman Yatırım Ortaklığı A.Ş.	18 January 1999	%48,0	Portfolio management

2. BASIS OF PRESANTATION OF FINANCIAL STATEMENTS

2.1. Basis of Presentation of Financial Statements

Basis of Presentation of Financial Statements and Significant Accounting Policies

The Company and its Turkish subsidiary maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code ("TCC") and tax legislation.

The Capital Markets Board ("CMB") Communiqué Serial: XI, No: 29 "Communiqué on Financial Reporting Standards in Capital Markets" ("Communiqué Serial: XI, No: 29") provides principles and standards on the preparation and presentation of financial statements. The Communiqué is applicable commencing from the first interim financial statements prepared subsequent to 1 January 2008, and Communiqué Serial: XI, No: 25 "Communiqué on Capital Market Accounting Standards" ("Communiqué Serial: XI, No: 25") is annulled with this communiqué. Based on this communiqué, the financial statements should be prepared in accordance with the International Financial Reporting Standards ("IAS/IFRS") as endorsed by the European Union ("EU"). However companies will apply IASs/IFRSs until the differences between the standards accepted by the European Union and the standards issued by International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"). In this respect, Turkish Accounting/Financial Reporting Standards issued by TASB that are not controversial to the adopted standards shall be taken as a basis in the application.

As the differences between the International Financial Reporting Standards ("IAS/IFRS") as endorsed by the European Union and the Turkish Accounting/Financial Reporting Standards ("TAS/TFRS") have not been declared as of the date of this report, the accompanying financial statements and notes are prepared in accordance with IAS/IFRS as declared in the Communiqué Serial: XI, No: 29 with the required formats announced by the CMB on 14 April 2008.

Financial statements, other than the revaluation of financial assets, are prepared on a historical cost basis.

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiaries
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2008
(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated)

Functional Currency

The Group's financial statements are presented in the currency of the primary economic environment in which the Group operates (its functional currency). The results and financial position of the Group are expressed in Turkish Lira, which is the functional and presentation currency of the Group.

In accordance with Law No: 5083 "Monetary Unit of the Turkish Republic" ("Law No: 5083"), the name of the Turkish Republic's monetary unit and its sub-currency unit was changed to the New Turkish Lira ("YTL") and the New Turkish Cent ("YKR"), respectively. However, in accordance with the additional decision of the Council of Ministers declared on Official Gazette dated on 22 August 2008 and numbered 26975 in regards to "Removal of the phrase "New" in the New Turkish Lira and the New Turkish Cent and Its Application Principles", the phrase "New" used in the Turkish Republic's monetary unit is removed both from YTL and YKR effective from 1 January 2009. Therefore, the accompanying consolidated financial statements are prepared and presented in TL accordingly.

Preparation of Financial Statements in Hyperinflationary Periods:

Based on the CMB decision numbered 11/367 dated 17 March 2005, for the companies operating in Turkey and preparing financial statements in accordance with CMB Accounting Standards (including companies adopting IAS/IFRS), the inflation accounting application has been ceased beginning from 1 January 2005. Within this context, IAS 29 "Financial Reporting in Hyperinflationary Economies" issued by IASB has not been applied beginning from 1 January 2005.

Consolidation

The details of the Group's subsidiary as of 31 December 2008 are as follows:

Subsidiaries	Place of establishment and activities	Shareholding %	Voting power %	Main activity
Yatırım Finansman Yatırım Ortaklığı A.Ş. (*)	İstanbul	18,40	48,00	Portfolio management

(*) This company is fully consolidated since the Parent has the power to exercise control over the financial and operating policy decisions of the subsidiary.

Where necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies inline with those used by the other members of the Group.

All significant transactions and balances between the Company and its consolidated subsidiary are eliminated on consolidation process.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

2.2 Changes in the Accounting Policies

Group has made no significant changes in the accounting policies during the current year.

2.3 Changes in the Accounting Estimates and Errors

Group has made no significant changes in the accounting estimates during the current year.

2.4 Adoption of New and Revised International Financial Reporting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2008.

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

- IFRIC 11,"IFRS 2-Group and treasury share transactions",
- IFRIC 12,"Service concession arrangements",
- IFRIC 14,"IAS 19-The limit on a defined benefit asset, minimum funding requirements and their interaction".

(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group:

At the date of authorization of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

2.4 Adoption of New and Revised International Financial Reporting Standards

• IFRS 8, "Operating segments"	Effective for annual periods beginning on or after 1 January 2009
• IFRIC 15, "Agreements for the construction of real estate"	Effective for annual periods beginning on or after 1 January 2009
• IFRIC 16, "Hedges of a net investment in a foreign operation"	Effective for annual periods beginning on or after 1 October 2008
• IFRS 2, "Share-based Payment" Amendment relating to vesting conditions and cancellations"	Effective for annual periods beginning on or after 1 January 2009
• IFRS 1, "First-time Adoption of International Financial Reporting Standards" Amendment relating to cost of an investment on first-time adoption	Effective for annual periods beginning on or after 1 January 2009
• IFRS 3, "Business Combinations" • IAS 27, "Consolidated and Separate Financial Statements • IAS 28, "Investments in Associates" • IAS 31 "Interests in Joint Ventures" Comprehensive revision on applying the acquisition method	Effective for annual periods beginning on or after 1 January 2009
• IAS 23, "(Amendment) Borrowing costs" Comprehensive revision to prohibit immediate expensing	Effective for annual periods beginning on or after 1 January 2009
• IAS 27, "Consolidated and Separate Financial Statements" Amendment relating to cost of an investment on first-time adoption	Effective for annual periods beginning on or after 1 January 2009
• IAS 1, "Presentation of Financial Statements" • IAS 32, "Financial Instruments: Presentation" Amendments relating to disclosure of puttable instruments and obligations arising on liquidation	Effective for annual periods beginning on or after 1 January 2009
• IAS 39, "Financial Instruments: Recognition and Measurement" Amendments for eligible hedged items	Effective for annual periods beginning on or after 1 January 2009

The Group management anticipates that the adoption of these Standards and Interpretations in future periods will have no material impact on the consolidated financial statements of the Group.

2.5 Summary of Significant Accounting Policies

Revenue recognition

Fees and commissions, fund and portfolio management commissions and agency commissions are accounted on an accrual basis.

The Group immediately recognizes gain on sale of marketable securities in its portfolio, when proceeds on such sale transactions are deemed to be collectable while dividend and similar type of revenue are recognized when such proceeds are deemed to be collectable at maturity.

Interest Income and Expenses:

Interest income and expenses are recognized on an accrual basis by using effective interest rate. Interest income consists of gained coupons on the fixed income securities and valuations of discounted treasury bills.

Dividend Income:

Dividend income from equity investments is recognized when the shareholders' rights to receive payment have been established.

Yatırım Finansman Menkul Değerler A.Ş. and Its Subsidiaries
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2008
(Amounts are expressed in Turkish Lira [“TL”] unless otherwise indicated)

Tangible Fixed Assets

Tangible fixed assets are carried at cost less accumulated depreciation and any permanent impairment loss.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group’s accounting policy. These assets are depreciated, on the same basis as other tangible fixed assets, when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lifes, using the straight-line method. The estimated useful lifes, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lifes on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of tangible fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Leasing Transactions

Leasing-the Group as Lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group’s general policy on borrowing costs.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Intangible Fixed Assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets of the acquired subsidiary/associate at the date of the acquisition. Goodwill on acquisitions of associates is included in “affiliates” and is tested for impairment as part of the overall balance. Separately recognized goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocations made to those cash-generating units or group of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Intangible Fixed Assets Acquired:

Intangible assets acquired separately are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over their estimated useful lifes. The estimated useful life and amortization method are reviewed at the end of each annual reporting period with the effect of any changes in estimate being accounted for on a prospective basis.

Trademarks and Licenses

Acquired trademarks and licenses are shown at historical cost. Trademarks and licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lifes (15 years).

Computer Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lifes (15 years).

Intangible Fixed Assets Acquired in a Business Combination

Intangible fixed assets acquired in a business combination are identified and recognized separately from goodwill where they meet the definition of an intangible asset and their fair value can be measured reliably. Cost of such intangible fixed assets is the fair value at the acquisition date.

Subsequent to initial recognition, intangible fixed assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible fixed assets acquired separately.

Impairment of Assets

Assets that have an indefinite useful life, like goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately 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 date.

Borrowing Costs

All borrowing costs are recorded in the income statement in the period in which they are incurred.

Financial Instruments

Financial Assets

Financial assets are initially measured at fair value, net of transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at fair value, and are recognized and derecognized on trade date where the purchase of sales of an investment is under a contract whose terms require the delivery of the investment within the timeframe established by the market concerned.

Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss', 'held to maturity investments', 'available for sale" financial assets and 'loans and receivables'.

Effective interest rate method

The effective interest rate method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset or where appropriate a shorter period.

The income generated from the financial assets, except for the financial assets at fair value through profit or loss, is calculated by using the effective interest rate method.

Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Held-to-maturity investments:

Debt instruments with fixed or determinable payments and fixed maturity where the Group both has the intention of and the ability to hold to maturity are classified as held-to-maturity. Held-to-maturity investments are recognized at amortized cost using the effective interest method, less any impairment in value.

Available for sale financial assets

Available for sale investments consist of other than (a) held-to-maturity debt securities, (b) held for trading securities or (c) loans and receivables. Available for sale investments are measured at subsequent reporting dates at fair value as long as fair value can be reliably measured, and whose fair value cannot be reliably measured are stated at cost. Gains and losses on available for sale financial assets at amortized cost are recognized in the income statement. Gains and losses arising from changes in fair value are recognized directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognized in equity is included in the profit or loss for the period. Impairment losses recognized in profit or loss for equity investments classified as available-for-sale are not subsequently reversed through profit or loss. Impairment losses recognized in profit or loss for debt instruments classified as available-for-sale are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss.

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Repurchase and reverse repurchase agreements

Marketable securities sold as part of repurchase agreement commitments ("repo") are accounted for in the financial statements and liabilities to counterparties are presented as payables to customers. Marketable securities held as part of commitments to resale ("reverse repo") are accounted for as funds loaned under marketable securities reverse repurchase agreements and accounted for under cash and cash equivalents in the balance sheet. The difference between purchase and resale prices is accounted for as interest and amortized during the period of the agreement.

Loans and Receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Receivables are measured at amortized cost using the effective interest method, less any impairment.

The Company enters into margin trading transactions with its customers for equity share purchases.

Impairment of financial assets

Financial assets or financial asset groups, other than those at fair value through profit or loss are subject to impairment testing at each balance sheet date to determine whether there is any indication of impairment. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets and loans carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity securities, any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial Liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

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

Other financial liabilities

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

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Business Combinations

The acquisition of subsidiaries are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the subsidiary and any costs directly attributable to the business combination. The acquired company's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria under IFRS 3, "Business Combinations" are recognized at fair value at the date of acquisition, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", which are recognized and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the Group's interest in the net fair value of the acquired company's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss.

The interest of minority shareholders in the acquired company is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

In business combinations under common control, assets and liabilities subject to business combination are accounted for at carrying value in the consolidated financial statements. Statements of income are consolidated starting from the beginning of the fiscal year in which the business combination is realized. Financial statements of previous fiscal years are restated in the same manner in order to maintain consistency and comparability. Any positive or negative goodwill arising from such business combination is not recognized in the consolidated financial statements. The residual balance calculated by netting off investment in the entity under common control and the share acquired in its equity is directly accounted for under equity in retained earnings.

Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the date of the transaction. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Exchange differences are recognized in profit or loss in the period.

Earning per Share

Since the Company's shares are not publicly traded, earnings per share calculation is not presented in the accompanying consolidated financial statements.

Subsequent Events

Events after balance sheet date comprise any event between the balance sheet date and the date of authorization of the financial statements for publication, even if any event after balance sheet date occurred.

The Group restates its financial statements if such subsequent events arise.

Provisions, Contingent Liabilities, Contingent Assets

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the estimation of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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Changes in the Accounting Estimates and Errors

Significant accounting errors that are detected in the current period are applied retrospectively and prior year financial statements are restated accordingly. If the application of changes in the accounting estimates affects the financial results of a specific period, the accounting estimate change is applied in that specific period, if they affect the financial results of current and following periods; the accounting policy estimate is applied prospectively in the period in which such change is made.

Related Parties

In the accompanying financial statements, shareholders, key management personnel and the members of Board of Directors and their families as well as any subsidiaries and affiliates to which they are known to be related to the above mentioned persons are considered and referred to as related parties.

Segment Information

None.

Construction Agreements:

None.

Discontinued Operations

None.

Government Incentives and Grants

None.

Investment Properties

None.

Taxation and Deferred Tax

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements have been calculated on a separate-entity basis. (See Note 35 for the taxation of investment trust companies).

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legal enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and Deferred Tax for the Period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquired company's identifiable assets, liabilities and contingent liabilities over cost.

Employee Benefits/Retirement Pay Provision

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No. 19 (Revised) Employee Benefits ("IAS 19").

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses.

Statement of Cash Flows

In statement of cash flow, cash flows are classified according to operating, investment and finance activities.

Cash flows from operating activities reflect cash flows mainly generated from brokerage and portfolio management operations of the Group.

Cash flows from investment activities express cash used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Group.

Cash flows relating to finance activities express sources of financial activities and payment schedules of the Group.

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Transactions at Turkish Derivatives Exchange

Cash guarantees given in consideration of performing transactions on the Turkish Derivatives Exchange are classified as cash and cash equivalents. Gains and losses arising from the transactions in the current period are accounted for in the current period profit/loss. The valuation differences arising from the valuation of open transactions at market prices that are accounted for in the income statement are offset with the commissions paid and the interest income from the accumulation of the remaining guarantees are accounted for as cash and cash equivalents.

Share Capital and Dividends:

Common shares are classified as equity. Dividends on common shares are reclassified as dividend payables by netting off from the retained earnings in the period in which they are approved and disclosed.

2.6 Significant Accounting Estimates

The Group made certain adjustments and reclassifications in order to reconcile its statutory records with the equity items in the accompanying consolidated financial statements. TL 770.872 amount which used to be accounted for in the capital inflation adjustment column is reclassified to retained earnings under the opening balances of 1 January 2007. Additionally, restricted reserves are recognized separately as legal reserves and special reserves.

The Group has no other significant accounting evaluations, estimates or assumptions which need to be disclosed during the application of accounting policies set out in Note 2.5.

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3. BUSINESS COMBINATIONS

The Company has merged with TSKB Menkul Değerler A.Ş. as published in the Trade Registry Gazette No: 6718 issued on 8 January 2007. The details of the merger are presented in Note 41.

As per the decision of the Board of Directors' meeting numbered 229 dated 24 September 2008, the Company's subsidiary, Yatırım Finansman Yatırım Ortaklığı A.Ş., it has been decided to initiate the necessary and required procedures about its merger with TSKB Yatırım Ortaklığı A.Ş. within the context of Article 451 of the Turkish Commercial Code and Articles 19 and 20 of the Corporate Tax Act numbered 5520.

In the Extraordinary General Assembly of Yatırım Finansman Yatırım Ortaklığı A.Ş. which was held on 27 November 2008, it was decided that: Yatırım Finansman Yatırım Ortaklığı A.Ş. would be merged with TSKB Yatırım Ortaklığı A.Ş., which is registered in the Trade Registry with the registry number 447970, by transferring all of its rights, receivables, debts and liabilities providing that its legal entity will be ceased. The company's balance sheet as at 30 September 2008 will be taken as the basis and the transfer will be made in accordance to the requirements set out in the Article 451 of the Turkish Commercial Code, and related articles of Corporate Tax Law. The Board of Directors are granted with the necessary authority for all applications and arrangements to be followed under the regulations regarding on the business combination.

According to the Capital Markets Board's Communiqué Serial: I, No: 31 "Principles of Business Combinations", TSKB Yatırım Ortaklığı A.Ş. has made an application to the Competition Board on 7 January 2009 for the acquisition permission of Yatırım Finansman Yatırım Ortaklığı A.Ş.'s all assets and liabilities providing that its legal entity will be ceased. However, upon the Competition Board's meeting no: 09/04/67-24 held on 4 February 2009, since the parties are involved in the same economic integrity, the Competition Board decided that the business combination is not within the context of the Article 7 of the Law No: 4054 and based on the related Communiqué no: 1997/1 "Business Combinations and Acquisitions Requiring the Competition Board's Permit" and granted the permission for the business combination. As of the date of this report, procedures regarding the business combination are still in process.

4. JOINT VENTURES

None.

5. SEGMENT INFORMATION

There is no different operating activity and geographical area in order to disclose segmental reporting.

6. CASH AND CASH EQUIVALENTS

	31 December 2008	31 December 2007
Cash	37.608	91.196
Cash in banks	51.047.156	21.715.963
Demand deposits	658.253	356.678
Time deposits (with maturities three months or less)	50.388.903	21.359.285
Reverse repurchase agreements	753.312	300.136
Guarantees given for Turkish Derivatives Exchange Transactions	516.354	364.780
	52.354.430	**22.472.075**

Maturities and interest rates of time deposits as of 31 December 2008 and 31 December 2007 are as follows:

Currency type	Interest rate	Maturity	31 December 2008
TL	20,00%-23,00%	05.01.2009-25.03.2009	42.393.324
USD	2,50%-7,25%	02.01.2009	7.995.579
			50.388.903

Currency type	Interest rate	Maturity	31 December 2007
TL	17,00%-19,00%	03.01.2008-01.04.2008	21.359.285
			21.359.285

(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated)

Receivables from reverse repurchase agreements are stated below:

	31 December 2008		
Interest rate	**Maturity**	**Cost**	**Carrying Value**
15,13%	02.01.2009	753.000	753.312
		753.000	**753.312**

	31 December 2007		
Interest rate	**Maturity**	**Cost**	**Carrying Value**
16,55%	02.01.2008	300.000	300.136
		300.000	**300.136**

As of 31 December 2008 and 31 December 2007, the Company's cash and cash equivalents are presented by excluding interest and valuation accruals in the statement of cash flows:

	31 December 2008	31 December 2007
Cash and cash equivalents	51.838.076	22.107.295
Guarantees given for Turkish Derivatives Exchange Transactions	516.354	364.780
Interest accruals	(439.769)	(170.605)
	51.914.661	**22.301.470**

7. FINANCIAL INVESTMENTS

Current financial investments are stated below:

Current financial assets	31 December 2008	31 December 2007
Financial assets at fair value through profit or loss	16.217.822	38.504.417
Available for sale financial assets	8.248.532	6.933.332
Held to maturity financial assets	613.698	-
	25.080.052	**45.437.749**

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	31 December 2008		
	Cost	**Fair Value**	**Carrying Value**
Financial assets at fair value through profit or loss			
Debt securities			
Government bonds	8.317.687	8.427.441	8.427.441
Treasury bills	3.411.906	3.591.823	3.591.823
Foreign marketable securities	47.376	47.947	47.947
Other (mutual funds)	327.143	360.736	360.736
Equity shares			
Equity shares traded on stock exchange	4.873.663	3.789.875	3.789.875
	16.977.775	**16.217.822**	**16.217.822**

	31 December 2007		
	Cost	**Fair Value**	**Carrying Value**
Financial assets at fair value through profit or loss			
Debt securities			
Government bonds	25.951.268	27.214.945	27.214.945
Treasury bills	1.700.210	1.752.879	1.752.879
Private sector bonds	1.000.000	1.093.000	1.093.000
Foreign marketable securities	461.391	397.698	397.698
Other (mutual funds)	470.016	732.164	732.164
Equity shares			
Equity shares traded on stock exchange	7.420.973	7.313.731	7.313.731
	37.003.858	**38.504.417**	**38.504.417**

The Group has the following government bonds and treasury bills, as of 31 December 2008 with carrying values of TL 6.886.487 TL (31 December 2007: TL 11.237.502) and nominal values of TL 7.167.004 (31 December 2007: 12.015.004 TL)

	31 December 2008		
	Nominal	**Cost**	**Carrying Value**
T.R. Central Bank	4.475.000	3.583.068	4.166.309
İstanbul Stock Exchange-Shares Market	550.004	563.339	597.644
Capital Markets Board	1.451.000	1.330.133	1.456.430
Turkish Derivatives Exchange	691.000	596.957	666.104
	7.167.004	**6.073.497**	**6.886.487**

	31 December 2007		
	Nominal	**Cost**	**Carrying Value**
İstanbul Stock Exchange	3.300.000	3.137.318	3.201.801
T.R. Central Bank	4.500.000	3.642.305	4.065.400
İstanbul Stock Exchange-Shares Market	2.800.004	2.423.044	2.664.104
Capital Markets Board	1.050.000	894.390	965.181
Turkish Derivatives Exchange	365.000	323.700	341.016
	12.015.004	**10.420.757**	**11.237.502**

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Available for sale financial assets	31 December 2008	31 December 2007
Debt securities	815.200	-
Equity shares	7.433.332	6.933.332
	8.248.532	**6.933.332**

Debt securities as of 31 December 2008 are stated below:

		31 December 2008	
Available for sale financial assets	**Cost**	**Fair Value**	**Carrying Value**
Foreign marketable securities (Eurobonds)	740.908	815.200	815.200
	740.908	**815.200**	**815.200**

The details of equity investments are as follows:

Unlisted Entities-Available for sale financial assets	Share (%)	31 December 2008	Share (%)	31 December 2007
İş Portföy Yönetimi A.Ş.	4,90	849.891	4,90	849.891
İMKB Takas ve Saklama Bankası A.Ş.	1,80	4.583.440	1,80	4.583.440
Terme Metal San. Tic. A.Ş.	0,94	931.948	0,94	931.948
TSKB Gayrimenkul YO A.Ş.	0,20	2.000.000	0,20	1.500.000
TSKB Gayrimenkul Değerleme A.Ş.	0,00	1	0,00	1
Yifaş Yeşilyurt Tekstil San. ve Tic. A.Ş.	0,23	159.987	0,23	159.987
Total		**8.525.267**		**8.025.267**
Impairment on financial assets (-)		(1.091.935)		(1.091.935)
		7.433.332		**6.933.332**

Held to maturity short term financial assets are as follows:

		31 December 2008	
Debt securities	**Cost**	**Fair Value**	**Carrying Value**
Government bonds	539.609	613.698	613.698
	539.609	**613.698**	**613.698**

Held to maturity long term financial assets are as follows:

		31 December 2008	
Debt securities	**Cost**	**Fair Value**	**Carrying Value**
Government bonds	3.165.185	3.388.344	3.388.344
Private sector bonds	2.500.000	2.511.765	2.511.765
	5.665.185	**5.900.109**	**5.900.109**

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8. FINANCIAL LIABILITIES

Current financial liabilities are stated below:

	Interest rate	Maturity	31 December 2008
USD	5,49%	5 January 2009	7.989.408
TL	19,00%	20 January 2009	10.084.444
			18.073.852

	Interest rate	Maturity	31 December 2007
TL	16,95%	20 January 2009	5.009.417
			5.009.417

As of 31 December 2008, the Group does not have non-current financial liabilities. Details of the non-current financial liabilities as of 31 December 2007 are as follows:

Long term bank loans	Interest rate	Maturity	31 December 2007
USD	5,49%	5 January 2009	5.827.941
			5.827.941

9. OTHER FINANCIAL LIABILITIES

None (31 December 2007: None).

10. TRADE RECEIVABLES AND PAYABLES

Current trade receivables	31 December 2008	31 December 2007
Receivables from customers for the purchases of equity shares (*)	25.058.241	20.710.010
Receivables from customers	75.027	80.589
Receivables from derivative clearing house	6.233.344	4.946.960
Receivables from clearing house	1.700.121	3.036.338
Doubtful trade receivables	542.873	-
Allowance for doubtful trade receivables (-)	(542.873)	-
Receivables from customers for the purchase of treasury bills	-	962.880
Receivables and commissions for the management of mutual funds (Note 37)	279.907	336.006
Receivables from stock exchange money market	334.000	79.000
Receivables from margin trading	4.711.146	14.200.574
Other trade receivables	15.135	32.575
	38.406.921	**44.384.932**

(*) Consists of receivables from customers arising from share transactions on 30 and 31 December 2008 (31 December 2007: Receivables from customers arising from share transactions on 28 and 31 December 2007).

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Current trade payables	31 December 2008	31 December 2007
Payables to customers for the equity share transactions(*)	26.730.362	23.727.529
Payables to derivative clearing houses	5.768.648	4.946.960
Funds obtained from repurchase agreements	1.592.199	10.160.508
Payables to stock exchange money market	13.500.000	3.169.000
Payables to customers on their investments in foreign currencies	3.218.632	3.048.272
Payables to customers related to the Stock Exchange Money Market transactions (**)	334.000	79.000
Other payables to customers	1.238.522	1.191.848
Payables to T.R. Central Bank (***)	-	1.429.320
	52.382.363	**47.752.437**

(*) Consists of payables to customers arising from share transactions on 30 and 31 December 2008. (31 December 2007: Consists of payables to customers arising from share transactions on 28 and 31 December 2007.)

(**) Liabilities to the customers due to Stock Exchange Money Market transactions are classified from financial liabilities to accounts payable in the current period. Similar classification was also made to the financial statements of the prior period in order to maintain consistency with the current period.

(***) The liability is due to the Treasury auction in which the Group entered into on 28 December 2007 for its own benefit as well as on behalf of the customers regarding to the acquisition of treasury bonds with value dates of 2 January 2008.

11. OTHER RECEIVABLES AND LIABILITIES

Current other receivables	31 December 2008	31 December 2007
Deposits and guarantees given	124.356	81.852
	124.356	**81.852**

Current other payables	31 December 2008	31 December 2007
Taxes and dues payable (*)	1.719.827	1.697.990
Social security premiums payable	113.886	109.852
	1.833.713	**1.807.842**

(*) Consists of withholding tax paid amounting to TL 1.452.296 on behalf of customers. (31 December 2007: TL 1.452.056).

12. RECEIVABLES AND PAYABLES FROM FINANCIAL SECTOR OPERATIONS

None (31 December 2007: None).

13. INVENTORIES

None (31 December 2007: None).

14. BIOLOGICAL ASSETS

None (31 December 2007: None).

15.ASSETS RELATED TO ONGOING CONSTRUCTION CONTRACTS

None (31 December 2007: None).

16.INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

None (31 December 2007: None).

17. INVESTMENT PROPERTIES

None (31 December 2007: None).

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18. TANGIBLE FIXED ASSETS

	Vehicles	Furniture and fixtures	Leasehold improvements	Total
Cost				
Opening balance, 1 January 2008	315.443	4.820.235	3.919.562	9.055.240
Additions	-	54.389	68.549	122.938
Disposals	-	-	-	-
Closing balance, 31 December 2008	**315.443**	**4.874.624**	**3.988.111**	**9.178.178**
Accumulated depreciation				
Opening balance, 1 January 2008	117.503	4.041.815	3.452.541	7.611.859
Charge for the period	59.245	220.006	202.575	481.826
Disposals	-	-	-	-
Closing balance, 31 December 2008	**176.748**	**4.261.821**	**3.655.116**	**8.093.685**
Carrying value as of 31 December 2007	**197.940**	**778.420**	**467.021**	**1.443.381**
Carrying value as of 31 December 2008	**138.695**	**612.803**	**332.995**	**1.084.493**

	Vehicles	Furniture and fixtures	Leasehold improvements	Total
Cost				
Opening balance, 1 January 2007	460.027	4.782.549	3.688.833	8.931.409
Additions	108.784	158.520	230.729	498.033
Disposals	(253.368)	(120.834)	-	(374.202)
Closing balance, 31 December 2007	**315.443**	**4.820.235**	**3.919.562**	**9.055.240**
Accumulated depreciation				
Opening balance, 1 January 2007	286.330	3.878.220	3.180.781	7.345.331
Charge for the period	60.523	284.429	271.760	616.712
Disposals	(229.350)	(120.834)	-	(350.184)
Closing balance, 31 December 2007	**117.503**	**4.041.815**	**3.452.541**	**7.611.859**
Carrying value as of 31 December 2006	**173.697**	**904.329**	**508.052**	**1.586.078**
Carrying value as of 31 December 2007	**197.940**	**778.420**	**467.021**	**1.443.381**

Expected useful life’s of the tangible fixed assets are as follows:

	Useful life
Vehicles, Furniture and fixtures	5 year
Leasehold improvements	5 year

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19. INTANGIBLE FIXED ASSETS

	Rights and other intangible fixed assets (*)	Total
Cost		
Opening balance, 1 January 2008	313.819	313.819
Additions	59.400	59.400
Closing balance, 31 December 2008	**373.219**	**373.219**
Accumulated depreciation		
Opening balance, 1 January 2008	52.161	52.161
Charge for the period	21.096	21.096
Closing balance, 31 December 2008	**73.257**	**73.257**
Carrying value as of 31 December 2007	**261.658**	**261.658**
Carrying value as of 31 December 2008	**299.962**	**299.962**

	Rights and other intangible fixed assets (*)	Total
Cost		
Opening balance, 1 January 2007	277.848	277.848
Additions	35.971	35.971
Closing balance, 31 December 2007	**313.819**	**313.819**
Accumulated depreciation		
Opening balance, 1 January 2007	31.590	31.590
Charge for the period	20.571	20.571
Closing balance, 31 December 2007	**52.161**	**52.161**
Carrying value as of 31 December 2006	**246.258**	**246.258**
Carrying value as of 31 December 2007	**261.658**	**261.658**

(*) Expected useful lifes for intangible fixed assets are 15 years.

20. GOODWILL

None (31 December 2007: None).

21. GOVERNMENT INCENTIVES AND GRANTS

None (31 December 2007: None).

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22. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

	31 December 2008	31 December 2007
BITT provision (*)	65.356	-
	65.356	**-**

(*) Turkish Republic of Ministry of Finance Revenue Administration Department has initiated a review of Banking and Insurance Transactions Tax ("BITT") for accounting periods of 2003, 2004, 2005, 2006 and 2007 regarding entire securities investment trust sector. Companies in the sector, considering that their operations do not comprise of any BITT activities, did not calculate and pay any BITT for their operations between 2003 and 2007. Reports on investigations conducted for 31 December 2007 and prior periods are prepared on 11 April 2008 and submitted to the Company's subsidiary on 1 August 2008. In accordance with the investigation reports, principal amount of TL 259.689 tax penalty was imposed to the subsidiary and the Group management has provided TL 259.689 provision in the accompanying consolidated financial statements accordingly. On 28 November 2008, as a result of the negotiations with the Beşiktaş Tax Office Reconciliation Commission, a settlement is reached upon the issues stating that tax penalties to be reset and 70% discount to be applied on the original principle tax amounts. In accordance with this settlement, on 25 December 2008, a total of TL 138.148 was paid to the tax office as the principal and interest amount. The Group has also allocated TL 65.356 of BITT provision for its transactions in 2008 (2007: None).

As explained in detail in Note 7, as of 31 December 2008, government bonds in the Group's portfolio amounting to TL 7.167.004 (31 December 2007: TL 12,015,004) in nominal value are kept in the blocked account of Settlement and Custody Bank ("Takasbank"), Istanbul Stock Exchange ("ISE") and T.R. Central Bank as collateral for equity share transaction limit and the capital blockage.

Treasury bills and government bonds, equity shares, Eurobonds and mutual funds that are kept in custody on behalf of customers are presented as below:

	31 December 2008	31 December 2007
Equity shares	189.941.894	148.451.652
Government bonds	282.717.684	352.034.354
Treasury bills	78.968.712	49.602.850
Mutual funds-units	782.565.999	1.269.729.262
Turkish Derivatives Exchange transactions short/long position (unit)	375	6.319
Foreign marketable securities	16.804.797	13.160.435
Private sector bonds	2.500.000	5.000.000

As of 31 December 2008 and 31 December 2007, letters of guarantee and promissory notes given by the Group are as follows:

	31 December 2008	31 December 2007
Letters of guarantee given to Capital Markets Board	901.776	901.776
Letters of guarantee given to Istanbul Stock Exchange	12.190.130	7.190.130
Letters of guarantee given to the Stock Exchange Money Market	20.000.000	20.000.000
Others	3.620	3.620
	33.095.526	**28.095.526**

The Company and its subsidiaries operating in Turkey with activities in securities brokerage and portfolio management maintain their capitals in compliance with the Capital Markets Board Communiqué Serial: V, No: 34 "Principles of Capital and Capital Adequacy of Brokerage Houses" ("Communiqué Serial: V, No: 34"). The Company is in compliance with the capital adequacy requirements as of 31 December 2008 and 31 December 2007.

23. COMMITMENTS

None (31 December 2007: None).

24. PROVISIONS RELATED TO EMPLOYEE BENEFITS

	31 December 2008	31 December 2007
Provisions related to employee benefits	353.220	216.839
	353.220	**216.839**

(Amounts are expressed in Turkish Lira [“TL”] unless otherwise indicated)

Under the Turkish Labor Law, the Group is required to pay employment termination benefits to each entitled employee to receive such benefits. Also, employees who are entitled to a retirement are required to be paid retirement pay in accordance with Law No: 2422 dated 6 March 1981 and No: 4447 dated 25 August 1999 and the amended Article 60 of the existing Social Insurance Code No: 506. Some transition provisions related to the pre-retirement service term were excluded from the law since the related law was amended as of 23 May 2002.

The applicable retirement pay provision ceiling as of 31 December 2008 is TL 2.173,19 for the calculation of employment termination benefits (31 December 2007: TL 2.030,19).

The liability is not funded, as there is no funding requirement. Provision is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. Revised IFRS 19 “Employee Benefits” requires actuarial valuation methods to be developed to estimate the Group’s obligation under the defined benefit plans. Accordingly, the following actuarial assumptions are used in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying consolidated financial statements as at 31 December 2008, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provision at the balance sheet date have been calculated assuming an annual inflation rate of 5,40% (31 December 2007: 5,00%) and a discount rate of 12,00% (31 December 2007: 11,00%), resulting in a real discount rate of approximately 6,26% (31 December 2007: 5,71%). The anticipated rate of forfeitures is also considered. The applicable retirement pay provision ceiling as of 31 December 2008 is TL 2.173,19 for the calculation of employment termination benefits (31 December 2007: TL 2.030,19). The retirement pay provision ceiling is revised semi-annually, and TL 2.260,05, which is effective from 1 January 2009, is taken into consideration in the calculation of provision for employment termination benefits (31 December 2007; The retirement pay provision ceiling effective from 1 January 2008 amounts to TL 2.087,92).

	2008	2007
Opening balance, 1 January	711.961	635.068
Service cost	252.378	120.515
Interest cost	40.795	36.289
Retirement payments made	(148.187)	(79.911)
Actuarial gain/loss	(11.596)	-
Closing balance, 31 December	**845.351**	**711.961**

25.RETIREMENT BENEFITS

None (31 December 2007: None).

26. OTHER ASSETS AND LIABILITIES

Other current assets	31 December 2008	31 December 2007
Prepaid expenses	67.408	46.499
Other (*)	3.218.632	3.048.272
	3.286.040	**3.094.771**

(*)Consists of the Group’s placements made on behalf of its customers which are also presented in the payables to customers on their investments in foreign currencies account under trade payables in the accompanying consolidated financial statements.

Other current liabilities	31 December 2008	31 December 2007
Expense accruals	27.659	40.194
	27.659	**40.194**

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27. EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

Capital/Treasury share adjustment

The capital structure of the Company as of 31 December 2008 and 31 December 2007 are as follows:

Shareholders	Share (%)	31 December 2008	Share (%)	31 December 2007
T. Sınai Kalkınma Bankası A.Ş.	95,78	36.875.736	95,78	28.734.339
TSKB Gayrimenkul Değerleme A.Ş.	1,85	713.663	1,85	556.101
Şekerbank T.A.Ş	0,60	231.967	0,60	180.753
T. Garanti Bankası A.Ş.	0,77	296.658	0,77	231.162
Yapı Kredi Bankası A.Ş.	0,11	44.081	0,11	34.349
Arap Türk Bankası A.Ş.	0,09	34.539	0,09	26.913
Anadolu Hayat Emeklilik A.Ş.	0,68	260.020	0,68	202.613
İş Factoring Finansman Hizmetleri A.Ş.	0,06	21.668	0,06	16.885
İş Yatırım Menkul Değerler A.Ş.	0,06	21.668	0,06	16.885
	100,00	**38.500.000**	**100,00**	**30.000.000**

As per the Company’s Annual General Meeting held on 17 March 2008, the Company has increased its capital by TL 8.500.000 by incorporating TL 8.074.000 extraordinary reserves and TL 426.000 special reserves. The decision has been announced in the Trade Registry Gazette no: 7026 dated 24 March 2008.

The Company’s capital consists of 3.850.000.000 shares of each having a nominal value of Turkish Cent (Kr) 1. 1.099.203.854 shares are classified as Group A shares, 604.557.108 shares are classified as Group B shares, 549.585.439 shares are classified as Group C shares, 505.627.838 shares are classified as Group D shares, 538.670.302 shares are classified as Group E shares and 552.355.459 shares are classified as Group F shares. Two members of the Board of Directors are selected from Group A shareholders’ nominees, one is selected from Group B shareholders’ nominees, one is selected from Group C shareholders’ nominees, one is selected from Group D shareholders’ nominees, and two members are selected from Group E shareholders’ nominees.

As of 31 December 2008, the shares of the consolidated subsidiary Yatırım Finansman Menkul Değerler A.Ş.’s are eliminated in the consolidated financial statements.

As of 31 December 2008, the Company does not have any preferred shares. (31 December 2007: None).

Valuation Funds

	31 December 2008	31 December 2007
Valuation fund on financial assets	851.532	837.223
	851.532	**837.223**

Valuation fund on financial assets arises from the measurement of available-for-sale financial assets at their fair value. In case of disposal of assets carried at fair value, the cumulative gain or loss related to that assets previously recognized in equity is included in the profit or loss for the period. Gains and losses arising from changes in fair value are recognized directly in equity, until the asset is determined to be impaired, at which time the cumulative gain or loss previously recognized in equity is included in the profit or loss for the period.

Restricted Reserves Appropriated from Profits

	31 December 2008	31 December 2007
Legal reserves	1.009.041	631.481
Gains on sale of properties and equity participations to be transferred to capital	804	426.804
	1.009.845	**1.058.285**

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code, are not distributable to shareholders. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions.

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Retained Earnings/Accumulated Deficits

Extraordinary reserves included in the retained earnings on the consolidated financial statements of the Group as of 31 December 2008 is TL 2.714.743 (31 December 2007: TL 3.028.342).

28. SALES REVENUE AND COST OF SALES

Sales

Sales revenue	**1 January- 31 December 2008**	**1 January- 31 December 2007**
Sales of equity shares and transitory certifications	38.345.394	53.239.566
Sales of private sector bonds	22.924.427	-
Sales of Government bonds	1.174.940.415	1.406.689.505
Sales of Treasury bills	129.137.150	71.478.153
Sales of foreign marketable securities	25.288.728	9.345.488
Sales of mutual funds	787.910.747	1.220.242.883
	2.178.546.861	**2.760.995.595**
Service income		
Commission income on trading of equity shares	5.709.180	10.091.405
Commission income on trading of Government bonds	516.881	526.156
Commission income on trading of derivative transactions	2.342.405	1.680.408
Commission income on trading of repurchase agreements and reverse repurchase agreements	253.128	360.045
Commission income on public offerings	8.748	564.543
Commission income on trading of mutual funds	3.345.216	3.935.394
Portfolio management fees	73.821	78.937
Other commissions and revenues	**206.373**	**314.798**
	12.455.752	17.551.686
Deductions from service income		
Commission reimbursements to customers	(337.808)	(231.868)
	(337.808)	**(231.868)**
Other operating income		
Income/expense accruals on financial assets at fair value through profit or loss	(982.283)	608.677
Interest income from reverse repurchase agreements	237.811	303.500
Dividend income	112.131	160.673
Interest income from Stock Exchange Money Market	1.468	198
Derivatives exchange market transactions gain/losses	73.695	2.273
Interest income of Treasury Bill and Government Bond	187.350	327.420
Interest income from customers	1.888.110	3.651.458
	1.518.282	**5.054.199**
Sales	**2.192.183.087**	**2.783.369.612**

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Cost of Sales	**1 January-31 December 2008**	**1 January-31 December 2007**
Purchases of equity shares and temporary share certifications	(42.208.616)	(52.688.169)
Purchases of private sector bonds	(22.807.094)	-
Purchases of Government bonds	(1.173.275.971)	(1.405.675.771)
Purchases of Treasury bills	(129.030.342)	(71.344.733)
Purchase of foreign currency bonds	(24.986.722)	(9.326.586)
Purchase of mutual funds	(787.923.904)	(1.220.202.532)
	(2.180.232.649)	**(2.759.237.791)**

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

	1 January-31 December 2008	**1 January-31 December 2007**
Marketing, sales and distribution expenses (-)	(981.861)	(1.115.105)
General administrative expenses (-)	(16.866.840)	(15.511.260)
	(17.848.701)	**(16.626.365)**

Marketing, sales and distribution expenses (-)		
Advertising and marketing	(131.102)	(169.373)
Stock Exchange fees and contributions	(338.290)	(414.905)
Banking and Insurance Transactions Tax	(502.842)	(396.259)
Advertising-promotions expenses	(210)	(38.647)
Agency expenses	-	(23.872)
Official announcement expenses	(4.661)	(11.723)
Contributions to training and education	-	(50.713)
Other	(4.756)	(9.613)
	(981.861)	**(1.115.105)**

General administrative expenses (-)		
Personnel expenses	(8.687.225)	(7.818.547)
Operating expenses	(5.661.312)	(5.159.753)
Depreciation and amortization charges	(502.922)	(637.283)
Personnel social benefit expenses	(718.978)	(712.597)
Management expenses	(453.150)	(411.600)
Taxes and dues	(331.234)	(348.655)
Other general administrative expenses	(512.019)	(422.825)
	(16.866.840)	(15.511.260)
Total general administrative expenses	**(17.848.701)**	**(16.626.365)**

(Amounts are expressed in Turkish Lira [“TL”] unless otherwise indicated)

30.EXPENSES BY NATURE

	1 January- 31 December 2008	1 January- 31 December 2007
Personnel expenses	(9.406.203)	(8.531.144)
Depreciation and amortization charges	(502.922)	(637.283)
Rent expenses (*)	(1.263.381)	(1.206.234)
Outsourcing expenses (data broadcasting)(*)	(885.664)	(861.020)
Marketing, sales and distribution expenses	(976.990)	(1.064.735)
Transportation expenses (*)	(232.099)	(164.954)
Management expenses	(453.150)	(411.600)
Operating expenses(*)	(2.767.363)	(2.336.711)
Communication expenses (*)	(512.805)	(590.834)
Publication and advertisement expenses	(4.871)	(50.370)
Taxes and dues	(331.234)	(348.655)
Other general administrative expenses	(512.019)	(422.825)
	(17.848.701)	**(16.626.365)**

(*) These expenses are stated as operating expenses in Note 29.

31. OTHER OPERATING INCOME/(EXPENSES)

Other operating income	1 January- 31 December 2008	1 January- 31 December 2007
Annual transaction charges	383.113	209.747
Gain on research activities conducted for foreign customers	67.998	81.496
Takasbank custody commissions recharged to customers	166.942	117.120
Money order commissions recharged to customers	21.004	26.047
Delivery expenses recharged to customers	31.117	33.031
Gains on sale of tangible fixed assets		80.070
Other income	20.179	16.920
	690.353	**564.431**

Other operating expenses	1 January- 31 December 2008	1 January- 31 December 2007
Other (*)	(542.873)	(28.157)
Investment Trust BITT expenses	(203.504)	-
	(746.377)	**(28.157)**

(*) The “Other” item in other operating expenses incurred in current year reflects the loss of the Company amounting to TL 541.992 as a result of the bankruptcy filing of one of its customers’-Lehman Brothers International Europe’s-parent company Lehman Brothers Holding Company. On 15 September 2008, Lehman Brothers Holding Company filed for bankruptcy following the Company’s fulfillment of its buying-selling orders on 12 September 2008, and on 16 September 2008, the settlement day of these transactions, the settlement of these transactions could not be realised. Consequently, the Company had obligations to settle cash from purchase transactions and stock from sales transactions in its customer accounts. Due to the non-performance of settlement obligations by the customer, the Company made sales at the falling market prices on the same day in order to recover its cash and made purchases in order to recover its stock obligations. As a result of these transactions, legal action has been initiated for the loss of TL 541.992 which incurred in the customer account and provision for this loss has been allocated and recognized under other operating expenses.

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32. FINANCE INCOME

	1 January- 31 December 2008	1 January- 31 December 2007
Interest Income		
Domestic government bonds	1.465.741	1.095.558
Deposits	4.946.911	927.714
Stock Exchange Money Market	11.593	28.228
Derivatives exchange market transactions	73.423	54.730
Other interest income	14.108	12.290
Income accruals on financial assets at fair value through profit or loss	-	626.194
Dividend income	475.819	729.333
Gains on sale of available for sale financial assets	-	142.268
Interest income on time deposits	281.289	170.469
	7.268.884	**3.786.784**

33. FINANCE EXPENSES

	1 January- 31 December 2008	1 January- 31 December 2007
Interest expenses on bank loans	(580.592)	(13.986)
Interest expenses on Stock Exchange Money Market	(1.262.932)	(159.249)
Letters of guarantee commissions	(134.416)	(60.123)
Foreign currency gains/(losses) (net)	(1.163.303)	10.028
Expense accruals on financial assets at fair value through profit or loss	(224.956)	-
Derivatives Exchange transaction losses	(9.461)	(51)
	(3.375.660)	**(223.381)**

34. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None (31 December 2007: None).

35. TAX ASSETS AND LIABILITIES (DEFERRED TAX ASSETS AND LIABILITIES ARE INCLUDED)

Current tax payable	**31 December 2008**	**31 December 2007**
Current tax liability	492.842	1.822.867
Less: Advance taxes	(350.509)	(1.361.614)
	142.333	**461.253**

Tax charge in the statement of income	**1 January- 31 December 2008**	**1 January- 31 December 2007**
Current tax liability	492.842	1.822.867
Deferred tax benefit/(charge)	(240.198)	(60.755)
	252.644	**1.762.112**

Corporate Tax

The Group is subject to Turkish corporate taxes. Provision is provided for the estimated corporate tax charge based on the Group's operating results of the current period in the accompanying consolidated financial statements.

Tax legislation in Turkey does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective tax rate in 2008 is 20% (2007: 20%).

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate was 20% for 2008 (2007: 20%). Losses can be carried forward for offset against future taxable income for up to 5 years. Losses cannot be carried back for offset against profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Income Withholding Tax

In addition to corporate taxes, companies should also calculate income withholding taxes on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. The rate of income withholding tax is 10% starting from 24 April 2003. As of 23 June 2006, this rate is changed as 15% in accordance with the Council of Ministers' decree No: 2006/10731. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

Withholding tax at the rate of 19,8% is still applied to investment allowances relating to investment incentive certificates obtained prior to 24 April 2003. Subsequent to this date, companies can deduct 40% of the investments within the scope of the investment incentive certificate and that are directly related to production facilities. Investments without investment incentive certificates do not qualify for tax allowance.

Investment incentive certificates are revoked commencing from 1 January 2006. If companies cannot use investment incentive due to inadequate profit, such outstanding investment incentive can be carried forward to the following years as of 31 December 2005 so as to be deducted from taxable income of subsequent profitable years. However, companies can deduct their carried forward outstanding allowance from 2006, 2007 and 2008's taxable income. The investment incentive amount that cannot be deducted from 2008's taxable income will not be carried forward to the following years.

Tax rate applicable for companies in deducting the tax investment incentive amount in 2006, 2007 and 2008 is 30%. If investment incentive carried forward is not used, effective tax rate will be 20% and the unused investment incentive will be forfeited.

As the Group did not use investment incentives, in this respect, corporate tax rate is applied as 20%.

Inflation Adjusted Statutory Tax Calculation:

In the year 2003 and prior years, except for the annual revaluation of tangible assets and their depreciation charges, taxable income was adjusted against inflation. The Company, its subsidiaries and affiliates have adjusted their statutory financial statements as of 31 December 2004 in accordance with Law No. 5024 published in the Official Gazette No. 25332 on 30 December 2003 which requires the application of inflation accounting in Turkey in 2005 and future years for tax purposes, if the actual rate of inflation meets certain thresholds, using principles which do not differ substantially from the principles in IAS 29 "Financial Reporting in Hyperinflationary Economies" and inflation adjusted balances as at 31 December 2004 were taken as opening balances as of 1 January 2005. However, as inflation did not meet the required thresholds in the following years, no further inflation adjustment made to the Group's statutory financial statements.

Taxation for Investment Trusts:

In accordance with the Clause (1) (d) in the Article 5 of the Corporate Tax Law No: 5520 and dated 21 June 2006 in effect from 1 January 2006, portfolio management income of the securities investment funds and trusts in Turkey is exempt from tax. This exemption is also applied to the advance corporate tax.

Based on the Clause (3) in the Article 15 of the same law, 15% withholding tax is applied on the portfolio management income of the securities investment funds and trusts in Turkey, which is exempt from tax, whether it is distributed or not. In accordance with the Clause (4) of the same article, the Council of Ministers is authorized to reduce this withholding rate to 0% or to increase it up to the corporate tax rate and differentiate the related withholding rate according to the fund and trust types or the nature and composition of the assets in their portfolio within the related limits.

In accordance with the Law No: 5527 and Provisional Article 67 Clause (1) which were introduced in the Income Tax Law No: 193 with the Law No: 5281 to be applied from 1 January 2006 to 31 December 2015 effective from 1 January 2006, 15%, 10% and 0% withholding tax is applied for securities investment funds' and trusts' purchase and sale income from securities and other capital market instruments and periodical returns through banks and brokerage companies for the periods of 1 January 2006-22 July 2006, 23 July 2006-30 September 2006 and subsequent to 1 October 2006, respectively.

As per the Clause (8) of the Provisional Article 67, 15% withholding tax is applied on the securities investment funds established in accordance with the Capital Markets Law (including funds traded on stock exchange, mortgage finance funds and asset finance funds) and securities investment trusts' portfolio income that is exempt from corporate tax, whether distributed or not. There is no further withholding tax for the related income under the Article 94. Upon the decision made by the Council of Ministers numbered 2006/10731 and dated 22 July 2006, the related withholding tax rate was applied as 10% for the period 23 July 2006-30 September 2006 and 0% subsequent to 1 October 2006.

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As per the Clauses 2 and 4 of the Provisional Article 67, no further withholding tax can be made against the securities investment funds' and trusts' income withheld under this article in accordance with the Corporate and Income Tax Laws.

It is stated in the Clause 8 of the Article 34 of the related law that withholdings made from the securities investment funds and trusts' portfolio management income under the Article 15, to the extent that withholding taxes are paid to the related tax authorities, are deductible against the company's structural tax withholding under the Clause 3 of the Article 15 of the same law and nondeductible withholdings are refunded whenever claimed.

Yatırım Finansman Yatırım Ortaklığı A.Ş., the Company's subsidiary, which had paid TL 29.265 withholding tax receivable in 2006 in accordance with the Communiqué on Income Tax Serial No: 252, has requested a refund of TL 10.000 in cash and the remaining to be offset against other tax payables. As of 31 December 2008, TL 10.000 of the related amount is reimbursed in cash, and the remaining TL 19.265 is offset against the withholding tax payables.

Deferred Tax:

The Group recognizes deferred tax assets and liabilities based upon the temporary differences between its financial statements as reported in accordance with IFRS and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes and they are given below.

20% of tax is applied in the calculation of deferred tax asset and liabilities (2007: 20%). The Company's subsidiary is not subject to deferred tax since has no corporate tax liability.

The components of deferred tax and corporate tax are as follows:

Deferred tax assets/(liabilities)	31 December 2008	31 December 2007
Useful life differences on tangible and intangible fixed assets	(57.211)	(62.023)
Retirement pay provision	(163.543)	(138.103)
Financial assets at fair value through profit or loss	(47.536)	36.671
Unused vacation accrual	(69.932)	(43.144)
Financial assets available for sale	3.577	-
Provision for doubtful receivables	(108.575)	-
	(443.220)	**(206.599)**

Movement of deferred tax (assets)/liabilities	2008	2007
Opening balance, 1 January	(206.599)	(145.844)
Deferred tax (benefit)/charge	(240.198)	(60.755)
Deferred tax offset from valuation fund on financial assets recognised under equity	3.577	-
Closing balance, 31 December	**(443.220)**	**(206.599)**

Tax reconciliation for the period is as follows:

Reconciliation of tax provision	1 January- 31 December 2008	1 January- 31 December 2007
Profit before tax	(2.061.063)	11.605.133
Calculated tax: (%20)	**412.213**	**(2.321.027)**
Effects of undeductible expenses	(17.682)	(27.118)
Exemptions	95.164	168.126
Deferred tax effect of subsidiary that is not subject to corporate tax	(742.339)	417.907
	(252.644)	**(1.762.112)**

36. EARNINGS PER SHARE

According to IAS 33 "Earnings per Share", companies whose shares are not publicly traded are not required to disclose earnings per share in their financial statements. Since the Company is not quoted on the Stock Exchange Market, earnings per share calculation is not reflected in the accompanying consolidated financial statements.

(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated)

37. RELATED PARTY TRANSACTIONS

Due from related parties	31 December 2008	31 December 2007
Receivables from Yatırım Finansman Investment Funds	279.907	336.006
	279.907	**336.006**

Related party expense transactions for the year ended 31 December 2008 and 2007 are stated below:

Related party service expenses	2008	2007
Türkiye Sınai ve Kalkınma Bankası A.Ş. (Letter of guarantee commission)	1.000	148

Related party revenue transactions for the year ended 31 December 2008 are stated below:

	2008	2007
Türkiye Sınai ve Kalkınma Bankası A.Ş. (*)	196.107	302.860
Yatırım Finansman Investment Funds(**)	3.345.216	3.935.394
	3.541.323	**4.238.254**

(*) Consists of agency and mutual fund commissions.
(**) Consists of mutual fund commissions.

Compensation of key management personnel for the year ended 31 December 2008 and 31 December 2007 are as follows:

	2008	2007
Salaries and other short-term benefits	1.480.345	1.409.710
Unused vacation accrual	23.516	35.017
Post retirement benefits	13.711	13.317
	1.517.572	**1.458.044**

Key management personnel consist of 14 people; members of Board of Directors (7), members of audit committee (3), assistant general manager(3), general manager and general manager of the subsidiary.

38. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Financial Risk Factors

The Group'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 Group's overall risk management program focuses on the uncertainty of financial markets and seeks to minimize the potential negative effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by central Risk Management Department, under policies approved by the Board of Directors. The Board sets out written principles for overall risk management, as well as written policies covering specific areas, such as; foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Evaluation, analysis, monitoring and reporting of these risks are performed by risk management as well. Risk Management Department determines and defines the risk policies regarding operational, credit and market risks. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss. The Group deals with this risk by rating of its customers and credit limitations. Credit risk is mitigated by receiving equity shares of listed entities as collateral in accordance with the legal requirements of the CMB against credit lines utilized by customers. The Group's credit risk is predominantly in Turkey, where it operates. Credit risk of the Group, that refers to financial instruments are stated in Note 39.

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Interest rate risk management

As of 31 December 2008 and 31 December 2007, if the interest rate increases/decreases by 1% and all other variables were held constant, the Group's net profit would be as below:

	31 December 2008		31 December 2007	
	1% Increase	**1% Decrease**	**1% Increase**	**1% Decrease**
Financial assets at fair value through profit or loss				
Treasury bills, Government bonds	(44.157)	44.885	(116.532)	87.762
Foreign currency bonds	(86)	87	(24.401)	27.188
Total	**(44.243)**	**44.972**	**(140.933)**	**114.950**
Available for sale financial assets				
Foreign marketable securities (*)	(33.567)	36.683	-	-
Total	**(33.567)**	**36.683**	**-**	**-**
Held-to-maturity investments				
Government bonds (short term)	287	(287)	-	-
Government bonds (long term)	1.333	(1.333)	-	-
Private sector bonds (long term)	112	(112)	-	-
Total	**1.732**	**1.732**	**-**	**-**

(*) The related amount has no effect on the Company's net profit for the period; however, it has an effect over the equity and value increase/decrease fund.

The Group is exposed to interest rate risk due to volatile market prices of its financial assets at both fixed and floating interest rates. The Group's exposure to interest rate risk sensitivity depends on the mismatch among maturities of interest rate sensitive assets and liabilities. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate assets and liabilities.

Market risk management

If the Istanbul Stock Exchange Index were increased/decreased by 20% with the assumption of keeping all other variables constant, the effect on net profit of the Group for the period ended as at 31 December 2008 and 31 December 2007 would be as follows:

	31 December 2008		31 December 2007	
Financial assets at fair value through profit/loss	**20% increase**	**20% decrease**	**20% increase**	**20% decrease**
Equity shares	746.999	(746.999)	1.434.226	(1.434.226)

As of 31 December 2008 and 31 December 2007, if the market price of available for sale financial assets decreases/increases by 20% and all other variables are to be constant, the Group's valuation funds under equity would be as follows:

	31 December 2008		31 December 2007	
	20% increase	**20% decrease**	**20% increase**	**20% decrease**
Available for sale financial assets	916.688	(916.688)	916.688	(916.688)

Liquidity risk management

Liquidity risk is the Group's default in meeting its net funding liabilities. Events causing a decrease in funding resources such as market deteriorations or decrease in credit ratings are major reasons of liquidity risk. The Group manages its liquidity risk by allocating its resources to obtain adequate reserves for recovering its current and potential liabilities. The Group has TL 70.456.215 and TL 58.589.795 financial liabilities as of 31 December 2008 and 31 December 2007, respectively.

(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated)

Maturity analysis of assets and liabilities are as follows;

	31 December 2008						
	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Undistributed	Total
Cash and cash equivalents	36.900.225	15.454.205	-	-	-	-	52.354.430
Financial assets	9.073.320	3.537.750	6.858.285	969.546	490.521	4.150.630	25.080.052
Trade receivables	38.406.921	-	-	-	-	-	38.406.921
Other receivables	124.356	-	-	-	-	-	124.356
Other current assets	3.218.632	67.408	-	-	-	-	3.286.040
Finansal assets (long term)	-	-	-	5.900.109	-	-	5.900.109
Tangible fixed assets	-	-	-	-	-	1.084.493	1.084.493
Intangible fixed assets	-	-	-	-	-	299.962	299.962
Deferred tax assets	-	-	-	-	-	443.220	443.220
Total assets	**87.723.454**	**19.059.363**	**6.858.285**	**6.869.655**	**490.521**	**5.978.305**	**126.979.583**
Financial liabilities	18.073.852	-	-	-	-	-	18.073.852
Trade payables	52.382.363	-	-	-	-	-	52.382.363
Other payables	1.833.713	-	-	-	-	-	1.833.713
Provisions	-	65.356	-	-	-	-	65.356
Current tax payable	-	142.333	-	-	-	-	142.333
Provisions related to employee benefits	-	-	-	-	-	1.198.571	1.198.571
Other current liabilities	-	-	-	-	-	27.659	27.659
Other non-current liabilities	-	-	-	-	-	4	4
Total liabilities	**72.289.928**	**207.689**	**-**	**-**	**-**	**1.226.234**	**73.723.851**
Liquidity surplus/(deficit)	**15.433.526**	**18.851.674**	**6.858.285**	**6.869.655**	**490.521**	**4.752.071**	**53.255.732**

	31 December 2007						
	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Undistributed	Total
Cash and cash equivalents	1.112.790	21.359.285	-	-	-	-	22.472.075
Financial assets	8.024.680	180.092	19.942.428	8.856.803	387.851	8.045.895	45.437.749
Trade receivables	44.384.932	-	-	-	-	-	44.384.932
Other receivables	81.852	-	-	-	-	-	81.852
Other current assets	3.048.272	46.499	-	-	-	-	3.094.771
Tangible fixed assets	-	-	-	-	-	1.443.381	1.443.381
Intangible fixed assets	-	-	-	-	-	261.658	261.658
Deferred tax assets	-	-	-	-	-	206.599	206.599
Total assets	**56.652.526**	**21.585.876**	**19.942.428**	**8.856.803**	**387.851**	**9.957.533**	**117.383.017**
Financial liabilities	-	-	5.009.417	5.827.941	-	-	10.837.358
Trade payables	47.752.437	-	-	-	-	-	47.752.437
Other payables	1.807.842	-	-	-	-	-	1.807.842
Current tax payable	-	461.253	-	-	-	-	461.253
Provisions related to employee benefits	-	-	-	-	-	928.800	928.800
Other current liabilities	-	-	-	-	-	40.194	40.194
Other non-current liabilities	-	-	-	-	-	3	3
Total liabilities	**49.560.279**	**461.253**	**5.009.417**	**5.827.941**	**-**	**968.997**	**61.827.887**
Liquidity surplus/(deficit)	**7.092.247**	**21.124.623**	**14.933.011**	**3.028.862**	**387.851**	**8.988.536**	**55.555.130**

The following table details the Group's expected maturity for its non-derivative financial liabilities. The table below has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will accrue to those liabilities except where the Group is entitled and intense to repay the liability before its maturity. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial liability on the balance sheet.

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	31 December 2008						
	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Adjustments	Total
Financial liabilities	18.586.205	-	-	-	-	(512.353)	18.073.852
Trade payables	52.382.363	-	-	-	-	-	52.382.363
	70.968.568	**-**	**-**	**-**	**-**	**(512.353)**	**70.456.215**

	31 December 2007						
	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Adjustments	Total
Financial liabilities	-	-	5.009.417	6.220.169	-	(392.228)	10.837.358
Trade payables	47.752.437	-	-	-	-	-	47.752.437
	47.752.437	**-**	**5.009.417**	**6.220.169**	**-**	**(392.228)**	**58.589.795**

Foreign currency risk management

Foreign currency risk is the risk of volatility in the foreign currency denominated monetary assets, monetary liabilities and off-balance sheet liabilities due to changes in currency exchange rates. The breakdown of the Group's foreign currency denominated monetary assets and monetary liabilities as of 31 December 2008 and 31 December 2007 is as follows:

	31 December 2008		
	USD	Euro	Total TL Equivalent
Cash and cash equivalents	5.291.352	9.616	8.022.698
Financial assets	558.924	-	845.261
Other current assets	1.864.515	186.344	3.218.632
Financial liabilities	(5.282.952)	-	(7.989.408)
Trade payables	(1.864.515)	(186.344)	(3.218.632)
Net foreign currency position	**567.324**	**9.616**	**878.551**

	31 December 2007		
	USD	Euro	Total TL Equivalent
Cash and cash equivalents	137.926	6.393	171.584
Financial assets	341.459	-	397.698
Other current assets	1.772.761	575.101	3.048.272
Financial liabilities	(5.003.813)	-	(5.827.941)
Trade payables	(1.772.761)	(575.101)	(3.048.272)
Net foreign currency position	**(4.524.428)**	**6.393**	**(5.258.659)**

Based on the net foreign currency positions of balance sheets as of 31 December 2008 and 2007, if the value the Turkish Lira would increase or decrease by 10% against other hard currencies assuming each other variables remained constant, the Group's net profit would change as follows:

	31 December 2008		31 December 2007	
	10% increase	10% decrease	10% increase	10% decrease
Cash and cash equivalents	641.816	(641.816)	13.726	(13.726)
Financial assets	67.621	(67.621)	31.816	(31.816)
Other current assets	257.491	(257.491)	243.862	(243.862)
Financial liabilities	(639.153)	639.153	(466.235)	466.235
Trade payables	(257.491)	257.491	(243.862)	243.862
	70.284	**(70.284)**	**(420.693)**	**420.693**

(Amounts are expressed in Turkish Lira ["TL"] unless otherwise indicated)

39. FINANCIAL INSTRUMENTS

Categories of Financial Instruments	31 December 2008	31 December 2007
Financial assets		
Cash and cash equivalents	52.354.430	22.472.075
Financial assets	25.080.052	45.437.749
Financial assets (long term)	5.900.109	-
Trade receivables (net)	38.406.921	44.384.932
Financial liabilities		
Trade payables (net)	52.382.363	47.752.437
Financial liabilities	18.073.852	10.837.358

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties in an arm's length transaction.

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to develop the estimated fair value. Accordingly, the estimates presented herein may not necessarily be indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate fair value:

Financial Assets

Carrying amounts of financial assets measured at amortized cost including cash and cash equivalents and other financial assets approximate their fair values due to their short-term nature and the assumption of immaterial potential losses in exchange of these assets.

Market prices are used in determination of fair values of government bonds, treasury bills and equity shares.

Financial Liabilities

The carrying amount of monetary liabilities approximates their fair values due to their short-term nature.

Exposed credit risks through types of financial instruments:

	Receivables						
	Trade Receivables		Other Receivables			Cash and cash equivalents	
31 December 2008	Related Party	Other	Related Party	Other	Financial Assets	Cash at bank and reverse repo receivables	Guarantees given for Turkish Derivatives Exchange Transactions
Maximum credit risk exposure as of report date (A+B+C+D+E) (*)	279.907	38.127.014	-	124.356	30.980.161	51.800.468	516.354
A. Net book value of financial assets that are neither past due nor impaired	279.907	38.127.014	-	124.356	30.980.161	51.800.468	516.354
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	-	-	-	-	-	-
-the part under guarantee with collateral etc	-	-	-	-	-	-	-
D. Net book value of the impaired assets	-	-	-	-	-	-	-
-Fair value	-	542.873	-	-	-	-	-
-Impairment (-)	-	(542.873)	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-	-

(*) No credit enhancing item such as; guarantees received, is taken into account in the calculation.

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	Receivables						
	Trade Receivables		Trade Receivables			Cash and cash equivalents	
31 December 2007	Related Party	Other	Related	Other Party	Financial Assets	Cash at Bank and Reverse Repo Receivables	Guarantees given for Turkish Derivatives Exchange Transactions
Maximum credit risk exposure as of report date (A+B+C+D+E) (*)	336.006	44.048.926	-	81.852	45.437.749	22.016.099	364.780
A. Net book value of financial assets that are neither past due nor impaired	336.006	44.048.926	-	81.852	45.437.749	22.016.099	364.780
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	-	-	-	-	-	-
-the part under guarantee with collateral etc	-	-	-	-	-	-	-
D. Net book value of the impaired assets	-	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-	-

(*) No credit enhancing item such as; guarantees received, is taken into account in the calculation.

40. SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE SHEET DATE

None.

41. OTHER ISSUES THAT HAS SIGNIFICANT EFFECT ON THE UNDERSTANDING AND INTERPRETING OF FINANCIAL STATEMENTS

Merger with TSKB Menkul Değerler A.Ş.:

In accordance with the Article 451 and the other related provisions of the Turkish Commercial Code and Articles 19 and 20 of the Corporation Tax Act, the Company has merged with TSKB Menkul Değerler A.Ş. of which 91,79% of its shares are owned by Türkiye Sınai Kalkınma Bankası A.Ş. through the dissolution without liquidation with the free of tax transfer of all rights, receivables, debts and liabilities. Subsequent to the issuance of the transfer agreement of this business combination in the Turkish Trade Registry Gazette No: 6707 on 19 December 2006, this business combination has been approved by the General Meeting's Decision on 27 December 2006 and the Company's amended articles of association were published and declared in the Turkish Trade Registry Gazette No: 6718 on 8 January 2007. The business combination was completed on 29 December 2006.

The Company and TSKB Menkul Değerler A.Ş. have been under the common control of Türkiye Sınai Kalkınma Bankası A.Ş. since the beginning of their operations and accounted for using the pooling of interests method. This application is based on the assessment of the Company management that represents the economic substance of the related transaction best. Since IFRS 3 "Business Combinations" is not applicable for entities under common control, this issue is considered within the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates, and Errors". IAS 8 paragraph 10 requires that in the absence of a Standard or an Interpretation that specifically applies to a transaction, other event or condition, management shall use its judgement in developing and applying an accounting policy that results in information that is:

(a) relevant to the economic decision-making needs of users; and

(b) reliable, in that the financial statements:

Additionally IAS 8 paragraph 12 requires that in making the judgement described in paragraph 10, management may also consider the most recent pronouncements of other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in the paragraph 10. Therefore, the financial statements of TSKB Menkul Değerler A.Ş. for the year 2006 include prior periods as if the business combination was in effect.

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Among the Company's Shareholders, Türkiye Sınai is offering its services as an agent.

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