

# Annual Report 2006

**GROWTH** ACROSS THE BOARD  


**30**  
**YEARS**  
RELIABILITY IN INVESTMENT



**SECURITIES**

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**

A member of **İŞBANK** group.

# Yatırım Finansman Menkul Değerler A.Ş.

**30**  
**YEARS**  
RELIABILITY IN INVESTMENT

**Contents** **01**> Yatırım Finansman in Brief **02**> Financial Highlights **03**> Operational Highlights **04**> Yatırım Finansman Milestones  
**07**> Message from the Chairman **08**> Board of Directors **11**> Message from the CEO **13**> Senior Management  
**16**> Turkish Economy in 2006 **17**> Expectations for 2007 **19**> Review of Operations 2006  
**29**> Major Developments in 2006 and New Services **31**> Financial Statements  
> Directory

## Yatırım Finansman in Brief

On October 15, 1976 Turkey's first brokerage house, Yatırım Finansman, was established by thirteen major banks led by İşbank and the Industrial Development Bank of Turkey (TSKB). Yatırım Finansman has remained a "symbol of trust" in the Turkish capital market throughout its 30-year history. It has helped to pioneer the development of Turkey's capital markets prior to the enactment of the Capital Markets Law in 1981 and the inauguration of the Istanbul Stock Exchange (ISE) in 1986. The company played an active role in several important improvements in Turkey's capital markets, such as the shaping of investment habits, the establishment of both the Capital Markets Board (CMB) and the ISE, the introduction of private issues and the growing use of stocks and government bonds for investment purposes.

With thirteen branches, liaison offices and agencies in major Turkish cities, its CMB-licensed investment consultants and customer representatives, Internet ([www.yatirimfinansman.com](http://www.yatirimfinansman.com)) and Telephone (444 11 44) branches, Yatırım Finansman offers investors in

Turkey and around the world swift, reliable and high-quality services. The company's Institutional Sales, Domestic Sales, Research, Asset Management and Investment Advisory Departments are ready to respond to the needs of both domestic and foreign institutional investors. The Corporate Finance Department offers investment banking solutions to companies and shareholders, helping them raise funds in capital markets. Yatırım Finansman reaches out to domestic and foreign institutional investors with an extensive investor base and branch network; the company positions itself as an indispensable strategic partner in public offerings.

Yatırım Finansman is a leading brokerage house with a customer portfolio of TRY 878 million, a mutual fund portfolio of TRY 113 million and over 25,000 individual and institutional investors. At the end of 2006, the company's paid-in capital was TRY 11.7 million and the shareholders' equity stood at TRY 35.8 million.

### PRODUCTS AND SERVICES

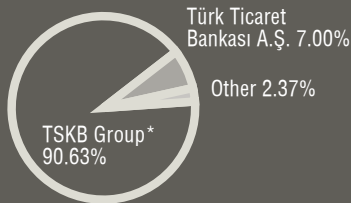
Holding the full range of capital market authorization certificates, Yatırım Finansman offers individual and institutional investors the following services at global standards as a top-notch investment bank:

- **Private 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**
- **International Sales**
- **Corporate Finance**
- **Research**

### SERVICE CHANNELS

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

### SHAREHOLDERS OF YATIRIM FİNANSMAN



\* Yatırım Finansman is indirectly owned by the Türkiye İş Bankası Group through its majority shareholder TSKB.

### AFFILIATES OF YATIRIM FİNANSMAN

Company	Capital	Share (%)
Yatırım Finansman Yatırım Ortaklığı A.Ş.	10,000,000	18.40
Takasbank A.Ş.	60,000,000	1.80
İş Portföy Yönetimi A.Ş.	15,000,000	5.00
TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.	15,000,000	5.00
TSKB Gayrimenkul Değerleme A.Ş.	300,000	0.00

# Financial Highlights

## SUMMARY OF CONSOLIDATED BALANCE SHEETS (TRY)

	DECEMBER 31, 2006	RESTATED DECEMBER 31, 2005
<b>CURRENT ASSETS</b>	<b>126,118,690</b>	<b>88,663,464</b>
SECURITIES (NET)	31,141,087	23,149,186
TRADE RECEIVABLES (NET)	76,442,954	51,793,854
<b>NON-CURRENT ASSETS</b>	<b>7,328,858</b>	<b>7,172,153</b>
FINANCIAL ASSETS (NET)	5,350,678	4,857,437
TANGIBLE FIXED ASSETS (NET)	1,586,078	2,020,630
INTANGIBLE FIXED ASSETS (NET)	246,258	115,723
OTHER NON-CURRENT ASSETS	-	-
<b>TOTAL ASSETS</b>	<b>133,447,548</b>	<b>95,835,617</b>
<b>CURRENT LIABILITIES</b>	<b>87,028,095</b>	<b>57,178,105</b>
<b>LONG-TERM LIABILITIES</b>	<b>635,071</b>	<b>910,065</b>
<b>TOTAL LIABILITIES</b>	<b>87,663,166</b>	<b>58,088,170</b>
<b>MINORITY INTEREST</b>	<b>10,012,484</b>	<b>6,034,888</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>35,771,998</b>	<b>31,712,559</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>133,447,548</b>	<b>95,835,617</b>

## SUMMARY OF CONSOLIDATED INCOME STATEMENTS (TRY)

	1/1 -12/31/2006	RESTATED 1/1 -12/31/2005
OPERATING REVENUE	21,029,235	20,674,843
OPERATING EXPENSES	(15,926,732)	(14,846,023)
FINANCIAL EXPENSES	(752,728)	(323,584)
OTHER REVENUES (NET)	1,944,149	3,148,852
OPERATING INCOME (EBIT)	6,293,924	8,654,088
PROFIT/LOSS BEFORE MINORITY INTEREST	(141,755)	(1,296,615)
PROFIT/LOSS BEFORE TAXES	6,152,169	7,357,473
TAXES (-)	(1,241,169)	(1,843,939)
NET INCOME	4,911,000	5,513,534

**Yatırım Finansman** is a leading brokerage house with a customer portfolio of TRY 878 million, a mutual fund portfolio of TRY 113 million and over 25,000 individual and institutional investors.

# Operational Highlights

STOCK MARKET TRANSACTIONS	2006	2005	2004	2003
STOCK MARKET TRANSACTION VOLUME (TRY 000)	649,902,884	539,862,585	415,843,999	293,027,705
STOCK MARKET TRANSACTION VOLUME (US\$ million)	453,052	394,148	293,023	198,811
YF STOCK TRADING VOLUME (TRY 000)	12,504,374	6,324,977	4,295,447	2,282,532
YF STOCK TRADING VOLUME (US\$ million)	8,717	4,706	3,021	1,530
RANK AMONG BROKERAGE HOUSES	17	23	28	42
MARKET SHARE (%)	1.92	1.17	1.03	0.78

BONDS & BILLS MARKET TRANSACTIONS	2006	2005	2004	2003
BONDS & BILLS MARKET TRANSACTION VOLUME (TRY 000)	1,002,816,843	885,368,173	810,285,562	593,814,504
BONDS & BILLS MARKET TRANSACTION VOLUME (US\$ million)	699,071	659,689	569,684	397,713
YF BONDS & BILLS TRADING VOLUME (TRY 000)	24,994,602	16,396,019	12,908,971	7,910,524
YF BONDS & BILLS TRADING VOLUME (US\$ million)	17,424	12,199	9,079	5,301
RANK AMONG BROKERAGE HOUSES	11	12	13	15
MARKET SHARE (%)	2.49	1.85	1.59	1.33

DERIVATIVES MARKET TRANSACTIONS	2006	2005	2004	2003
DERIVATIVES MARKET TRANSACTION VOLUME (TRY 000)	35,752,842	870,549	-	-
DERIVATIVES MARKET TRANSACTION VOLUME (US\$ million)	24,924	648	-	-
YF DERIVATIVES TRADING VOLUME (TRY 000)	566,919	7,350	-	-
YF DERIVATIVES TRADING VOLUME (US\$ million)	395	5	-	-
RANK AMONG BROKERAGE HOUSES	17	-	-	-
MARKET SHARE (%)	1.59	0.84	-	-

CUSTOMER PORTFOLIO SIZE	2006	2005	2004	2003
CUSTOMER PORTFOLIO SIZE (END-OF-YEAR) (TRY 000)	877,657	886,255	695,441	556,591
CUSTOMER PORTFOLIO SIZE (US\$ million)	612	618	485	388
MUTUAL FUNDS PORTFOLIO SIZE (END-OF-YEAR)	113,377	165,454	128,165	87,923

## CUSTOMER PORTFOLIO COMPOSITION AS OF (TRY) DECEMBER 31, 2006



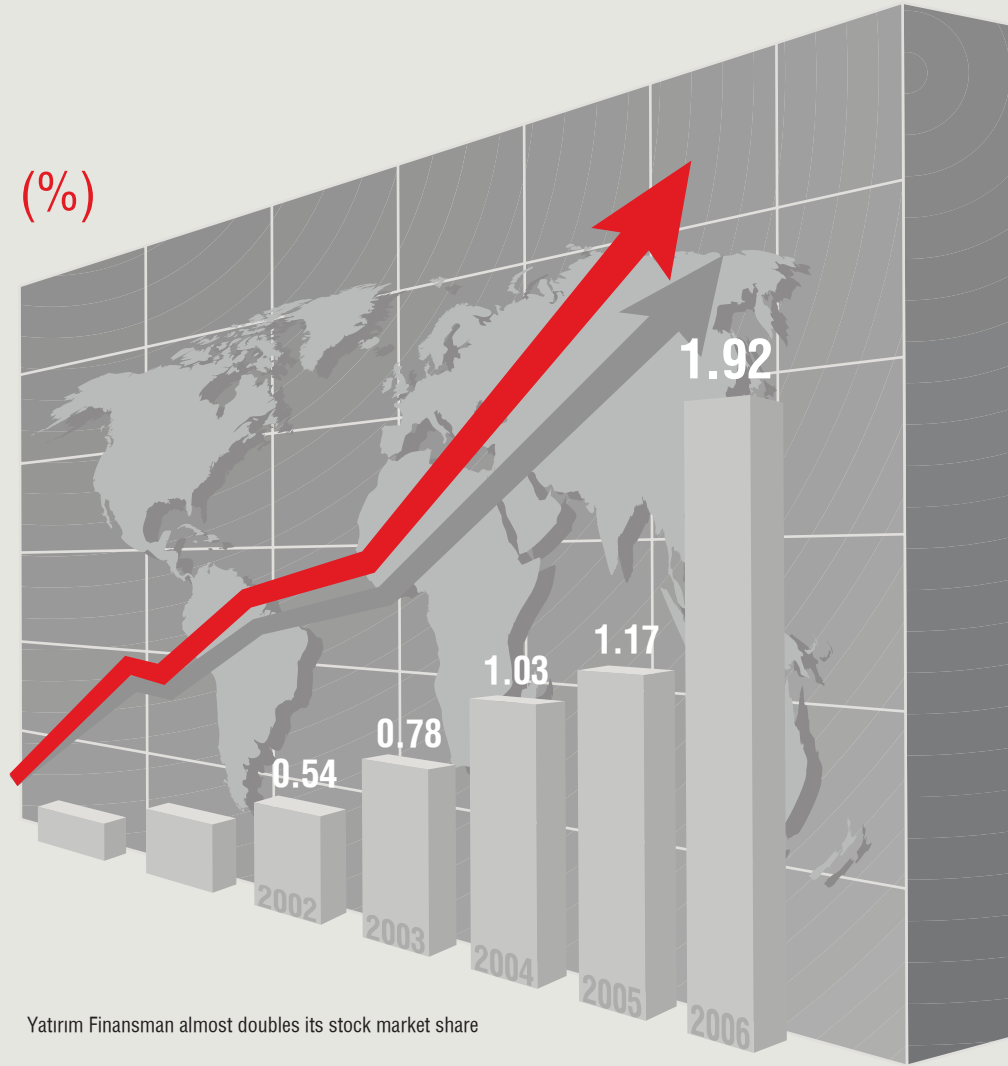
	Portfolio Size	Share (%)
Stocks	496,623,351	57
Bonds & Bills	200,209,484	23
Mutual Funds	113,377,289	13
Derivatives	13,067,463	1
Stock Exchange Money Market	2,295,909	0
Repo	32,917,308	4
Foreign Fixed-Income Securities	19,073,010	2
Foreign Stocks	93,706	0
Total	877,657,520	100

## Yatırım Finansman Milestones

- 1976** Yatırım Finansman, Turkey's first brokerage house, is established by thirteen banks led by Türkiye İş Bankası and Industrial Development Bank of Turkey (TSKB).
- 1980** Yatırım Finansman breaks new ground by acting as a brokerage house for a private issue. The Capital Markets Law is enacted.
- 1984** The Capital Markets Board (CMB) is established. Yatırım Finansman is authorized by the CMB for stock trading and brokerage in public offerings.
- 1986** Trading on the Istanbul Stock Exchange (ISE) commences. Yatırım Finansman becomes the ISE leader with a 42% market share in stock trading.
- 1987** Trading in commercial papers, bank bonds and bank-guaranteed bonds begins.
- 1991** Yatırım Finansman ranks third at the ISE in terms of the number of stock transactions.
- 1992** Yatırım Finansman is authorized by the CMB for investment advisory, portfolio management and repo services.
- 1993** Yatırım Finansman affirms its reliability and service quality as it ranks first in private sector bond underwriting.
- 1994** Yatırım Finansman launches public offering activities, adding another link to its chain of corporate finance services. Yatırım Finansman adds a Type-A Mutual Fund to its product range.
- 1995** Yatırım Finansman adds a Type-B Mutual Fund to its product range. Yatırım Finansman is authorized by the CMB to transact business in securities lending, borrowing and short-selling.
- 1997** Yatırım Finansman establishes a special mutual fund.
- 1998** Yatırım Finansman Investment Trust is established under the leadership of Yatırım Finansman.

- 1999** Yatirim Finansman launches Internet and telephone banking services, pioneering the creation of alternative distribution channels. Yatirim Finansman adds a Type-B Bonds & Bills Fund to its product range.
- 2002** Yatirim Finansman opens ten more branches, to better serve its investor base.
- 2003** Turkey's largest private investment and development bank TSKB acquires 90.4% of Yatirim Finansman shares.
- 2005** **February:** The CMB grants authorization for the trading of derivative instruments. Trading on the Derivatives Exchange begins.  
**April:** Research and trading services launched for foreign institutional investors.  
**June:** Yatirim Finansman website is voted third most successful financial website in the "Golden Spider" (Altın Örümcek) competition.  
**September:** Yatirim Finansman changes the visual elements of its corporate identity, renewing its 30-year-old logo.  
**December:** Yatirim Finansman decides to take over TSKB Menkul Değerler in a merger.
- 2006** Yatirim Finansman celebrates its 30th anniversary.  
**April:** The inaugural event of the "30th Anniversary Investor Meetings" is held in Antalya.  
**May:** YF Investor Club is established for mutual fund customers.  
**May:** Yatirim Finansman meets investors in Izmir at "30th Anniversary Investor Meetings - 2"  
**June:** The corporate website and the Internet Branch are re-launched with new design and content.  
**June:** Yatirim Finansman meets investors in Ankara at the "30th Anniversary Investor Meetings-3"  
**September:** Yatirim Finansman concludes the 30th anniversary celebrations with the "30th Anniversary Night" held in Istanbul.  
**November:** The Internet Branch introduces the web-based VOBaktif software, which enables user-friendly transactions on the Derivatives Exchange.  
**December:** YF Investor Club's membership reaches 1,100.  
**December:** Yatirim Finansman takes over TSKB Menkul Değerler A.Ş. on December 29, 2006.

# YF Stock Market Share Almost Doubled



## GROWING MARKET SHARE

In 2006, Yatırım Finansman achieved transactions volume market shares of 1.92% in the Stock Market, 2.49% in the Bonds & Bills market and 1.59% in the derivatives market. These figures were 1.17%, 1.85% and 0.84%, respectively in 2005.



## Message From the Chairman



Last year, the national economy achieved positive results in terms of macroeconomic performance, despite the disruption that began in mid-May, affecting all developing economies, until it was stabilized in July. Progress in microeconomic reforms has not been substantial.

Some basic economic targets such as growth, foreign investment inflow, budget deficit and the debt-to-national-income ratio have been achieved and even surpassed. However, actual results lagged behind targets and expectations for some other indicators including inflation, real interest rates and current account balance.

There was no serious interruption in the risk perception of global markets and liquidity flows and as had been the case in other developing markets, Turkish capital and money markets continued to receive substantial amounts of foreign funds. There is a growing conviction that the United States, Japan and countries within the euro zone that are steering world economies and global movements of capital, will not experience a downturn.

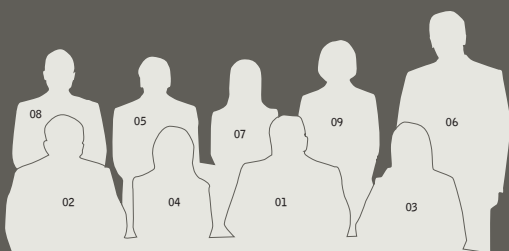
Despite market volatilities and excessive competition in the brokerage industry in 2006, Yatirim Finansman achieved good results in terms of both market share and growth rate. One of the most significant achievements of the year was that our company improved the efficiency of the research and brokerage services it provides to international corporate customers; it has strengthened its position among institutions doing business with foreigners. The company has also increased the quality and diversity of the services it provides to local customers. The total value of securities deposited at Yatirim Finansman reached almost TRY 1 billion.

At the beginning of 2006, our 30th anniversary, I had suggested that we should run faster than before. Now that competition in the industry has further intensified with the arrival of major foreign players, we will have to run even faster. Yatirim Finansman will not get involved in price competition and will instead maintain its position as a reputable capital market institution by competing with its service quality.

**HALİL EROĞLU**  
CHAIRMAN OF THE  
BOARD OF DIRECTORS

Despite market volatilities and excessive competition in the brokerage industry in 2006, Yatirim Finansman achieved **good results** in terms of both **market share** and **growth rate**.

# Board of Directors



<b>Chairman</b>		
01	<b>Halil Erođlu</b>	TSKB General Manager March 17, 2003
<b>Deputy Chairman</b>		
02	<b>A. Orhan Beřkk</b>	TSKB Assistant General Manager February 21, 2002
<b>Members</b>		
03	<b>řeniz Yarcan</b>	TSKB Assistant General Manager March 17, 2003
04	<b>iđdem İel</b>	TSKB Assistant General Manager August 23, 2004
05	<b>Hayrettin Eryılmaz</b>	TSKB, Securities Manager August 7, 2002
06	<b>Hakan Aygen*</b>	TSKB, Corporate Finance Manager November 20, 2006
07	<b>Fatma Gliz Aykan**</b>	T. İř Bankası A.ř. Subsidiaries Group Manager October 18, 2006
<b>Auditors</b>		
08	<b>Refik Dođan Akıncı***</b>	TSKB Economics Manager February 15, 2006
09	<b>Ayře Alev Ata****</b>	T. İř Bankası A.ř. External Relations Group Manager October 18, 2006
	<b>Ayře Nazlıca</b>	TSKB Financial Control Manager August 23, 2004

\* İbrahim Halil ztop, Corporate Finance and Research Group Manager of TSKB, was replaced by Hakan Aygen, Corporate Finance Manager of TSKB, on November 20, 2006.

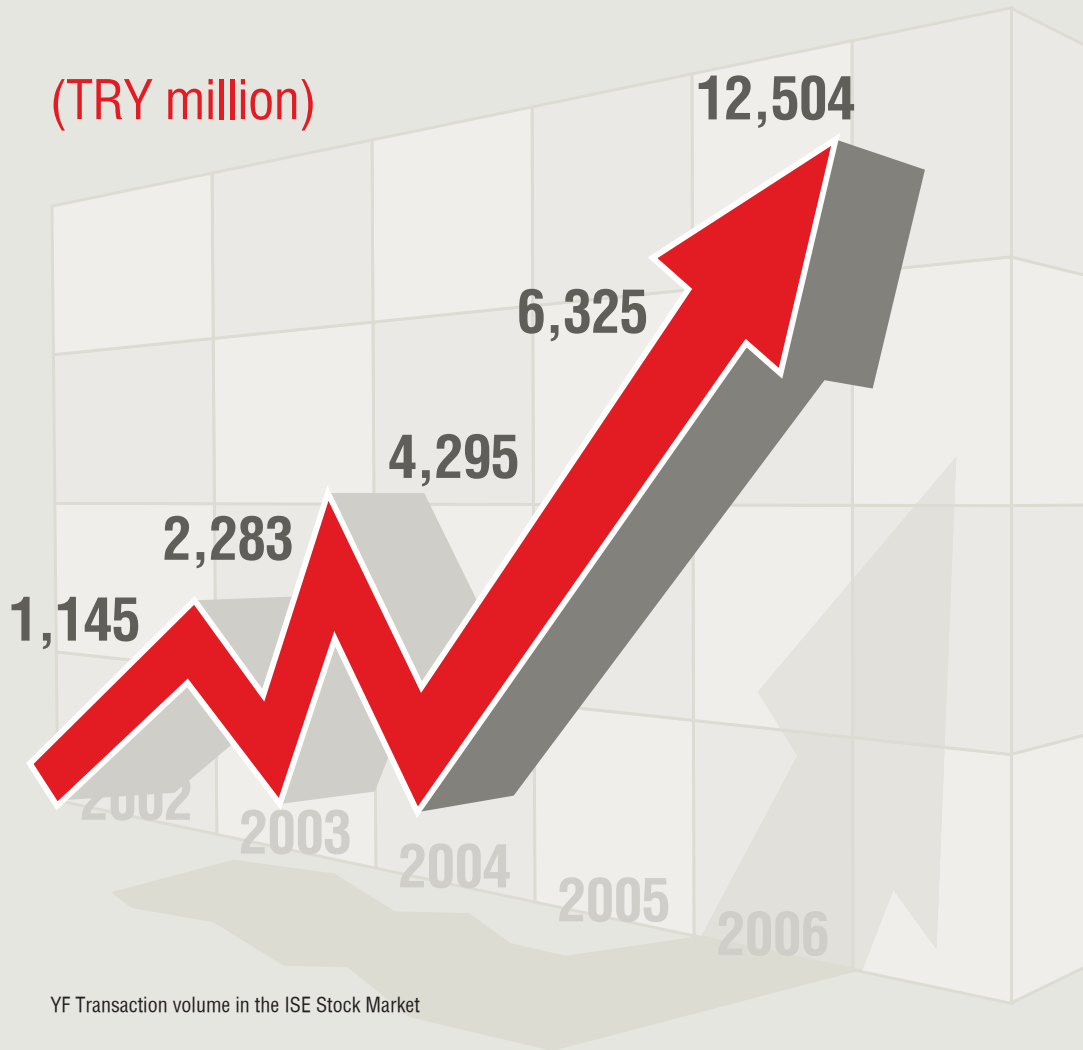
\*\* Gzide Meltem Kkden, Securities Manager of T. İř Bankası A.ř., was replaced by Fatma Gliz Aykan, Affiliates Group Manager of T. İř Bankası A.ř., on October 18, 2006.

\*\*\* Hakan Aygen, Corporate Finance Manager of TSKB, was replaced by Refik Dođan Akıncı, Economics Manager of TSKB, on February 15, 2006.

\*\*\*\* Emre Duranlı, Assistant Manager of Subsidiaries of T. İř Bankası A.ř., was replaced by Ayře Alev Ata, External Relations Group Manager of T. İř Bankası A.ř., on October 18, 2006.

# 98% Growth

## in Stock Market Transaction Volume



### A GROWING TRANSACTION VOLUME

Offering individual and institutional investors services at global standards, Yatırım Finansman increased its transaction volume 98% in the Stock Market and 52% in the Bonds & Bills market in 2006.

## Message From the CEO



The massive capital inflow that started a year ago has continued over the first quarter of 2006, mainly because there was no significant change in the risk perception of global capital and also because concerns about US growth were largely eliminated. However this trend was disrupted in May 2006, affecting Turkish money and capital markets negatively. Naturally, this impact caused more damage to the Turkish economy than it did in other developing markets because of Turkey's chronic foreign currency deficit and her vulnerability to continuously rising oil prices. Furthermore, the risk that the upcoming elections would have a permanent negative effect on political stability inevitably led to hesitation among global investors. As a result of

these factors, 2006 has not been a favorable year for our money and capital markets; the pessimism continued into 2007.

We had forecasted that it was going to be a tough year for capital market institutions and had suggested that the sector would see rapid consolidation and with the arrival of international investment banks, competition would be more intensive than ever.

Although transaction volume in the Stock Market has increased 10% in real terms and customers' transactions on the Derivatives Exchange have significantly expanded, there was no real increase in the profitability of brokerage houses and equity growth remained limited. Operations in investment banking increased only gradually.

Despite this negative outlook, Yatirim Finansman continued its robust growth in several areas and consolidated its position in the industry. At a time when overall transaction volume in the Stock Market and the Bonds & Bills market rose by 20% and 13%, respectively, Yatirim Finansman's transaction volumes went up by 98% and 52%. According to recent data covering the first three quarters of the year, total assets of the industry increased 24%, while those of Yatirim

Finansman increased by 89%. While the overall equity capital of brokerage houses increased 12%, our company's equity capital rose by 22%. As the total net income of the industry as a whole remained almost unchanged, Yatirim Finansman increased its profits by 20%. In short, the company managed to grow faster than the industry in every area in 2006.

As we expand our share in the brokerage industry, we place special emphasis on further advancing the well-known service quality of Yatirim Finansman. We want to redefine service standards in the industry in the broadest sense. To this end, we place the customer at the center of all decisions we make; we invest extensively in the training and development of our personnel, who constitute our main asset. We employ a large IT team so that we can offer customers the fastest and the most flexible solutions. In the products we have developed in collaboration with our solution partners, we have achieved flawless information and data flow to customers. We are at quite an advanced level in terms of market access and processing speed. Our branches are well above the industry standards in terms of location, equipment, comfort and expertise.

>>

In 2006, Yatirim Finansman continued its robust growth in several areas and **consolidated its position in the industry.**

## Message From the CEO (continued)

In 2006, Yatırım Finansman celebrated its 30th anniversary. With various events in Istanbul, Ankara, Izmir and Antalya, we shared the joy of being the first capital market institution in Turkey with our customers. I would like to invite you to watch our 30th anniversary video on our website. It is a very important documentary depicting how Yatırım Finansman witnessed the history of the capital market and more importantly how it pioneered the path.

On December 31, 2006, Yatırım Finansman merged with TSKB Menkul Değerler A.Ş. thus further strengthening its balance sheet. By this merger, we aim to build upon the synergies we have created with our main shareholder TSKB and to improve our efficiency in investment banking as a group.

We entered the year 2007 by reorganizing our service channels. With the vision of "creating value-added knowledge and methods" that we announced last year, we transformed our branches into centers where top-level investment advisory services are provided. Smaller-size brokerage services are now offered through the newly established Special Transactions Center and the Internet Branch.

The Investors' Club, which was founded to encourage our customers to invest in mutual funds, reached 1,000 members in a short time. Customers without sufficient know-how or time can now invest their savings in mutual funds. With points collected in this process, they are invited to activities such as seminars, movies, theater performances and concerts. We have also planned projects to communicate with our customers in an individual and social sense during 2007.

Our projects and efforts related to the Derivatives Exchange, which began in 2006, progressed in two directions. On one hand, we organized seminars to promote this market and educate our customers. On the other hand, we developed the VOBaktif software that allows investors to monitor Derivatives Exchange data in real-time and in-depth and to place orders online using data screens.

Year 2007 might prove to be a problematic economic and political conjuncture. Although the risk arising from the current accounts deficit, the Presidential and Parliamentary elections, the continuing increase in oil prices, rising tension between the USA and Iran and the debate around the intervention in Iraq will remain on the agenda, the fact that global investors continue their interest in Turkey brings stability to the market.

We have been one of the institutions most favored by foreign investment banks and funds in 2006; we want to increase this efficiency further in 2007. In the coming years, we are planning to increase our share of foreign investors' transactions from its current level of 5%. As we offer first-rate brokerage services in both domestic and international markets, we aim to increase our market share for value-added services such as investment banking, product development, derivatives, portfolio management and mutual funds.

I would like to thank our founders and shareholders for the support they have given to Yatırım Finansman. I sincerely believe that, together with my colleagues, we will achieve all of our targets in 2007.

I wish all of you health, happiness and prosperous investments.

**Y. YAMAÇ BERKİ**  
GENERAL MANAGER

**On December 31, 2006 Yatırım Finansman merged with TSKB Menkul Değerler A.Ş. thus further strengthening our balance sheet. With this merger, we aim to build upon the synergies we have created with our main shareholder TSKB and improve our efficiency in investment banking as a group.**

## Senior Management



**M. Saim Saatci**  
Assistant General Manager

**Murat Tanrıöver**  
Assistant General Manager

**Y. Yamaç Berki**  
General Manager

# Senior Management

## General Manager

**Y. Yamaç Berki**

## Assistant General Managers

**M. Saim Saatci**  
**Murat Tanrıöver**

## Managers

**Halis Akyıldız**  
**C. Didem Helvacıoğlu**  
**M. Tanju Uygurçetin**  
**Mehmet Sarılıcan**  
**Sultan Deliklitaş**  
**Ali Kerim Akkoyunlu**  
**Emre Balkeser**

## 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 A.Ş. 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 that 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 mid-2004.

## Murat Tanrıöver Assistant General Manager

Murat Tanrıöver was born in 1969. He graduated from Marmara University in 1992 and received his Master's degree in finance from Louisiana State University. Starting his career as an analyst at Türk Boston Bank in 1994, Tanrıöver worked at the Turkish Industrial Development Bank as a Specialist in 1996-1997. He then became a Manager at Yapı Kredi Investment from 1997 to 1999, before moving to Doğan Yayın Holding as Capital Markets Coordinator from 1999 to 2005. Tanrıöver is currently Assistant General Manager at Yatırım Finansman.

## M. Saim Saatci Assistant General Manager

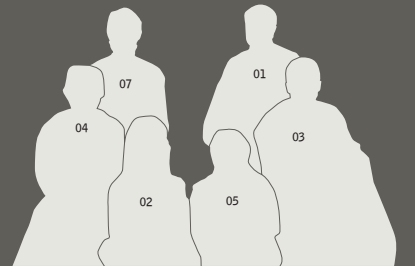
Born in 1960, Mehmet Saim Saatci graduated from the Department of Economics of Middle East Technical University in 1982 and received his Master's degree from the University College of North Wales. Serving as an Internal Auditor at Türkiye İş Bankası between 1983-1992, Saatci worked as Treasury Group Manager of the same bank between 1992 and 1999, later continuing his career as Deposits Manager in 1999 and 2000. Assistant General Manager at İş-Tim Telekomünikasyon (Aria) from 2000 to 2004, Saatci is currently Assistant General Manager of Yatırım Finansman.



# Management



- 1 **Halis Akyıldız**, Financial Affairs and Operations Manager
- 2 **C. Didem Helvacıođlu**, Treasury and Portfolio Manager
- 3 **M. Tanju Uygurçetin**, Human Resources and Planning Manager
- 4 **Mehmet Sarılıcan**, IT Manager
- 5 **Sultan Deliklitaş**, Sales Manager
- 6 **Ali Kerim Akkoyunlu**, Research Manager
- 7 **Emre Balkeser**, International Sales Manager



# Turkish Economy in 2006

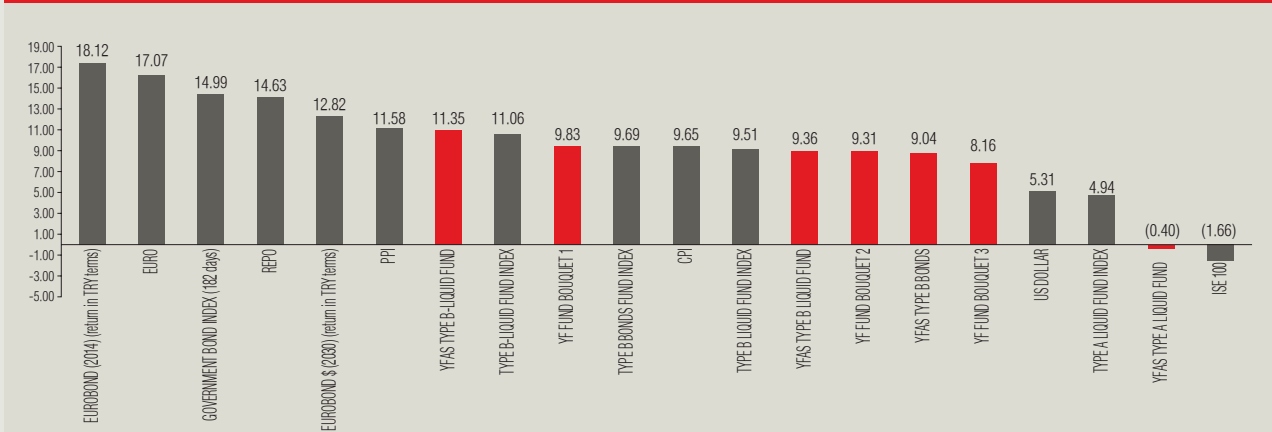
As it became more dynamic, competitive and open to international trade, the Turkish economy also became more resistant to adverse forces such as increasing prices for energy and commodity markets, rising interest rates in the US economy, major volatility in the euro-dollar rate and negative developments in Iraq.

Just like other developing economies, Turkey was negatively affected by fluctuations in May when risk perception changed in international markets. Coupled with the depreciation of the Turkish lira in May and June, this led to increased pessimism about inflation in the medium and long-term. The Central

Bank increased interest rates by 425 basis points, to 17.5% and absorbed excess liquidity in the market by tightening its policy; this in turn reduced market volatility and resulted in a stronger Turkish lira. Anti-inflationary policies have been implemented with great success over the last five years and in December 2006 CPI inflation went down to 9.65%. In 2006, PPI inflation was 11.56%, while the current account deficit, regarded as a serious risk for the economy, exceeded 8% of the GDP. In addition to these indicators, foreign direct investments reaching US\$ 18.8 billion in 2006 was one of the year's most remarkable economic developments.

Although there was no significant progress in creating new jobs, higher productivity was the key driver of the economy; average growth was 5.6% in the first three quarters of 2006. Tighter monetary policies implemented from May onward resulted in a slowing down of the economy in the second half of the year; this became evident especially in the last quarter. Flexibility in the labor market, growth of the private sector and developments in market dynamics have all protected the Turkish economy against external shocks.

## PERFORMANCE OF INVESTMENT INSTRUMENTS (December 31, 2005 - December 29, 2006)



Source: Rasyonet, CBRT and YF

As it became more dynamic, competitive and open to international trade, the **Turkish economy** has become **more resistant to adverse impact** such as increasing prices in energy and commodity markets, rising interest rates in the US economy, major volatility in the euro-dollar rate and negative developments in Iraq.

## Expectations for 2007

We predict that the Turkish economy will grow 4.2% in 2007, with GNP reaching US\$ 423 billion and per capita income rising from its 2006 level of US\$ 5,348 to US\$ 5,732. Export industries, propped up by a growing external demand that offsets the slowing down in the domestic market, are likely to act as the main engine of growth. We expect exports to reach US\$ 90 billion this year, accompanied by an import volume of US\$ 136.5 billion due to sustained domestic demand. A current account deficit equivalent to 7% of the GDP might occur as a result of the appreciation of the Turkish lira and growing exports. Although foreign direct investment is expected to reach approximately US\$ 15.7 billion, a current account deficit of 7% seems hardly sustainable in the upcoming years.

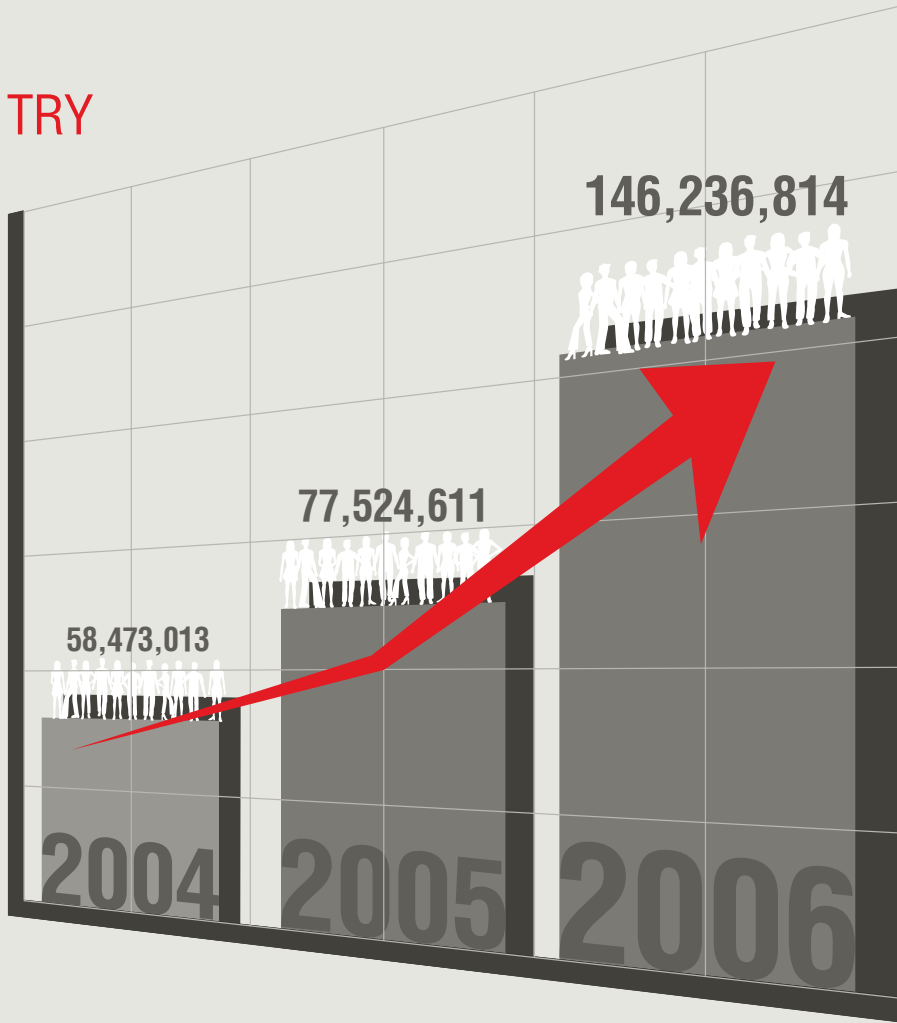
Despite the risk, inflation is expected to continue its downward trend and fall to 7.2%. The discrepancy between inflation targets and expectations, rising prices in the services sector and uncertainties in the global economy are some of the most serious risks that can jeopardize this trend. Having set an inflation target of 4% for the next three years, the Central Bank has maintained the uncertainty range at 2%. Falling domestic demand, a narrowing current account deficit, an appreciating Turkish lira and decreasing energy prices all contribute to an optimistic inflation outlook this year. We expect the Central Bank to continue its tight policies until the end of the second quarter of 2007 and then gradually begin lowering interest rates. Benchmark bond rates should stabilize within the 15% - 17.5% range.



# %89

## Asset Growth

TRY



### BETTER FINANCIAL RESULTS

Despite the macroeconomic volatility and increasing competition in the market, Yatırım Finansman performed well above industry averages, achieving an 89% asset growth and a 19% net income growth, while industry averages were 24% and 12%, respectively.

\* Latest data available for the first three quarters of 2006 have been used for comparison purposes.

## Review of Operations in 2006

### ISE Stock Market

In 2005, transaction volume on the ISE Stock Market was TRY 540 billion. This figure went up 20% in Turkish lira terms in 2006, reaching TRY 650 billion.

Yatırım Finansman, which had processed a stock trading volume of TRY 6.3 billion on the ISE Stock Market, increased this figure by 98% during the year, achieving a volume of TRY 12.5 billion in 2006.

Yatırım Finansman, ranked 23rd in 2005 with a share of 1.17%, moved up to 17th place among 105 brokerage houses in 2006, increasing its market share to 1.92%.

### ISE Bonds & Bills Market

In 2005, transaction volume on the ISE Bonds & Bills Market was TRY 885 billion. Increasing 13% in Turkish lira terms during the year, this figure has reached TRY 1,003 billion.

After processing a stock trading volume of TRY 16.4 billion on the ISE Bonds & Bills Market in 2005, Yatırım Finansman increased this figure by 52%, to TRY 25 billion in 2006.

In 2005, 12th ranked Yatırım Finansman had a share of 1.85%. In 2006, it had moved up to 11th place among 105 brokerage houses, increasing its market share to 2.49%.

### Mutual Funds

#### Funds customized for different risk-return preferences

The total portfolio size of the five mutual funds established and managed by Yatırım Finansman reached TRY 113 million in 2006. Portfolios consisting of Type-A Variable Fund, Type-B Liquid Fund, Type-B Bonds & Bills Fund and Type-B Variable Fund, as well as combinations of these four types, are offered to suit different risk-return preferences. They target all investors who seek high returns but lack the time and/or market know-how to perform the transactions themselves. In addition to its own funds, Yatırım Finansman is also an authorized dealer for Türkiye İş Bankası and TSKB funds. Yatırım Finansman's product range includes funds suited for all possible risk-return preferences.

Mutual fund management is undertaken not at the initiative of a few experts but through an extensive network of 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. Yatırım Finansman is also the founder and portfolio manager of the "Type-A Resan Fund."

### Derivatives Market

Although it has not yet reached the desired volume, the Derivatives Exchange (TurkDEX) experienced robust growth in 2006, increasing its depth and volume. Transaction volume at the Derivatives Exchange was TRY 871 million in 2005 and increased 4007% in Turkish lira terms, to reach TRY 35 billion.

After trading TRY 7 million in 2005, Yatırım Finansman increased its transaction volume on the Derivatives Exchange by 7613%, raising its market share from 0.84% to 1.59%.

Yatırım Finansman's investments in the derivatives market in 2006 can be summarized under three main headings:

- Investment in technology - VOBAktif
- Investment in customers - TurkDEX Seminars
- Investment in human resources - Training

**Total portfolio of the five mutual funds established and managed by Yatırım Finansman reached TRY 113 million in 2006.**

## Review of Operations in 2006

### YATIRIM FİNANSMAN MUTUAL FUNDS

	Type-A Variable	Type-B Bonds&Bills	Type-B Liquid	Type-B Variable	Type-A Resan Special	Total
Foundation Date	11.11.1993	03.12.1999	14.11.1997	24.03.2006	22.12.1997	
Offer Date	21.07.1999	09.02.2000	16.03.1998	01.06.2006	27.11.1998	
Net Asset Value (TRY thousand)	3,002	18,408	58,997	2,133	30,760	113,300
Unit Value (TRY)	0.314711	0.089964	0.281481	0.010936	0.265178	
Number of Investors	382	710	13,439	17	2	14,550
Total Shares (thousand)	200,000	750,000	400,000	300,000	200,000	1,850,000
Shares in Circulation (thousand)	9,537	204,621	209,595	195,056	115,999	734,808
Free Float	4.77	27.28	52.40	65.02	58.00	52.40

TYPE-A VARIABLE FUND	2006	2005	2004	2003	2002
Net Asset Value (TRY thousand)	3,002	5,551	3,483	2,932	1,081
Return (%)	(0.40)	37.24	11.91	52.48	10.12
Fund Index Return (%)	4.94	31.77	15.58	60.06	11.50
Inflation (%)	9.65	7.72	9.32	18.36	29.75
Standard Deviation of the Fund	1.12	0.94	0.97	1.11	1.06
Standard Deviation of the Related Fund Index	0.97	0.79	0.90	1.12	1.09

YF TYPE-B BONDS & BILLS FUND	2006	2005	2004	2003	2002
Net Asset Value (TRY thousand)	18,408	52,199	31,485	23,700	3,235
Return (%)	9.04	15.63	23.79	49.25	54.04
Fund Index Return (%)	9.69	16.52	21.75	48.47	56.00
Inflation (%)	9.65	7.72	9.32	18.36	29.75
Standard Deviation of the Fund	0.14	0.12	0.20	0.25	0.16
Standard Deviation of the Related Fund Index	0.16	0.09	0.22	0.25	0.15

Portfolios consisting of the Type-A Variable Fund, Type-B Liquid Fund, Type-B Bonds & Bills Fund and Type-B Variable Fund, as well as combinations of these four types, are offered to suit different risk-return preferences. **They target all types of investors who seek high returns** but lack the time and/or market know-how to perform the transactions themselves.

<b>TYPE-B LIQUID FUND*</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Net Asset Value (TRY thousand)	58,997	73,119	75,246	48,209	36,566
Return (%)	11.35	10.54	17.90	31.50	45.62
Fund Index Return (%)	11.06	10.12	17.59	31.16	45.43
Inflation (%)	9.65	7.72	9.32	18.36	29.75
O/N Repo	14.63	12.45	18.78	32.59	47.15
Standard Deviation of the Fund	0.03	0.03	0.04	0.07	0.09
Standard Deviation of the Related Fund Index	0.03	0.02	0.04	0.07	0.09

<b>TYPE-B VARIABLE FUND**</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Net Asset Value (TRY thousand)	2,133	0	0	0	0
Return (%)	9.36	-	-	-	-
Fund Index Return (%)	9.51	-	-	-	-
Inflation (%)	9.65	-	-	-	-
Standard Deviation of the Fund	0.13	-	-	-	-
Standard Deviation of the Related Fund Index	0.22	-	-	-	-

<b>TYPE-A RESAN SPECIAL FUND</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Net Asset Value (TRY thousand)	30,760	33,634	17,912	12,345	7,295
Return (%)	(0.11)	79.08	45.10	75.05	(1.18)
Fund Index Return (%)	5.03	43.68	25.58	59.77	1.28
Inflation (%)	9.65	7.72	9.32	18.36	29.75

Source: Rasyonet

\* Standard Deviation is a metric value that measures the deviation of daily returns from the average return. It is used to denote market risk.

\*\* Public offering of Type-B Variable Fund took place on June 1, 2006 and the figures in the table indicate the return between this date and the end of the year.



## Review of Operations in 2006

### Discretionary portfolio management

A discretionary portfolio management plan is offered to investors who want to determine their own risk profile and seize opportunities available in the marketplace, but do not have the time or know-how to monitor trends. A specialized portfolio manager handles the investor's portfolio in accordance with his or her risk-return expectations and reports results to the investor regularly.

### International Brokerage

Yatirim Finansman launched international brokerage services in 2005. Its experienced staff, technological infrastructure and strong corporate brand are all elements that provide Yatirim Finansman with a competitive edge in international brokerage services. Yatirim Finansman's international customer portfolio is composed of institutional investors and fund managers located abroad.

Since 2005, encouraging results have been achieved in international brokerage services, offered in accordance with international investment banking standards. Rapidly developing an extensive international customer base, Yatirim Finansman's international brokerage volume increased 474% in dollar terms during 2006. The target for the upcoming years is to significantly expand the number and scope of international institutional investors.

### Investor Base

Committed to being a reliable advisor creating added value, Yatirim Finansman focuses on maintaining an extensive and far-reaching investor base. The company's target audience consists of investors who wish to invest their savings in capital market instruments, but may not have the time or expertise to follow market trends yet still need high quality personalized services. Yatirim Finansman's goal is to offer services to large-scale investors through all available channels and to improve its access to small- and medium-scale investors through its Special Transactions Center, Internet and Telephone Branches.

### Extensive and far-reaching distribution channels

Yatirim Finansman offers its customers the opportunity to access and trade on stock markets through a variety of channels. The company's distribution network is comprised of thirteen branches and a liaison office, located in the country's seven largest cities, as well as the Special Transactions Center, Internet and Telephone Branches. Using these channels, investors can obtain information and guidance about markets whenever they desire, trade through customer representatives or on their own, using the Internet or Telephone Branches. Specialized investment consultants, all holding CMB licenses, serve customers both at the headquarters and at branches.

Each Yatirim Finansman branch has two to five Special Trading Rooms. These rooms allow customers to monitor markets and send their orders to traders on the floor or, if they prefer, directly to the ISE using Yatirim Finansman's "YFAS-Trade" software application.

**Its experienced staff, technological infrastructure and strong corporate brand are all elements that provide Yatirim Finansman with a competitive edge in international brokerage services. Yatirim Finansman's international customer portfolio is composed of institutional investors and fund managers located abroad.**





Rapidly developing an extensive international customer base, Yatırım Finansman's **international brokerage volume** increased **474%** in dollar terms in 2006.

## Review of Operations in 2006

### **Yatırım Finansman Internet Branch (www.yatirimfinansman.com)**

Yatırım Finansman has been one of the first brokerage houses to set up an Internet Branch where all investment transactions can be performed.

Yatırım Finansman's Internet Branch features an information and analysis portal with comprehensive content and allows all investment transactions to be performed on a single platform.

BrokerAktif and VOBAktif, two products offered through the Internet branch, provide Yatırım Finansman with significant competitive advantages in stock trading compared to other brokerage houses. These products allow customers to carry out transactions on the ISE and the Derivatives Exchange rapidly and easily. With the support of ISE and TurkDEX Real Time Data (JavaMatrix), developed by the company's own IT Department, customers have the privilege of the fastest trading facility available and the means to monitor price changes instantaneously.

Another solution developed by the YFAS IT Department is the YFAS-Trade software, which can be installed both on computers in Special Trading Rooms and on the personal computers of customers. This product allows customers to monitor markets and submit their orders to the ISE without losing time.

BrokerAktif, VOBAktif and YFAS-Trade applications bring market sessions to investors' homes and offices.

### **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 and inquiry transactions

### **Special Transactions Center - 444 11 44**

Providing customers with timely and high quality services that suit their needs best has always been a top priority for Yatırım Finansman. This was the motivation behind the Special Transactions Center established at the company Headquarters, where customers receive rapid, high quality brokerage services tailored to their needs. This is a service channel aimed at investors who do not receive investment advisory or portfolio management services but wish to quickly perform their transactions through experts rather than interactive channels such as Telephone and Internet Branches.

Services available at the Special Transactions Center include stock trading, mutual funds, government bonds, treasury bills, repo, EFT and wire transfers, public offerings and other investment transactions. Experts holding CMB licenses serve at the center, accessible by dialing 444 11 44.

### **Corporate Finance**

#### **Benefits of corporate finance services**

Thanks to the extensive branch network of the İş Bank Group, more than 30 years of experience in capital markets and contacts with foreign institutional investors, Yatırım Finansman offers unique advantages over its competitors in corporate finance services, particularly in public offering projects.

#### **Corporate Finance Services**

Corporate finance services target medium and large-scale companies that are in search of new resources and usually operate in industries with a significant growth potential.

Having participated as a consortium member in the entire range of privatization projects so far, Yatırım Finansman provides state-of-the-art solutions while acting selectively and responsibly in its approach to corporate finance activities.

In addition to public offerings and privatization projects, Yatırım Finansman also offers the full range of corporate

**BrokerAktif and VOBAktif, two products offered through the Internet branch, provide Yatırım Finansman with significant competitive advantages in stock trading compared to other brokerage houses. These products allow customers to carry out transactions on the ISE and the Derivatives Exchange rapidly and easily.**

finance services to companies and shareholders, including due diligence, mergers, financial consulting, capital increase, dividend payment, secondary public offerings, quota sales, intermediation in shareholder sales and collecting equity by call. Market conditions permitting, Yatırım Finansman plans to offer brokerage services for private bond issues in 2007, while focusing on investment banking operations as well.

As the first company to structure IPOs in Turkey, Yatırım Finansman participated in major IPOs in 2006 as well. The company increased its selling power by adding the Industrial Development Bank

of Turkey to its agencies and participated in eight projects as a consortium member and in one project as the consortium leader. In a series of IPOs including Bank Asya and Selçuk Ecza, Yatırım Finansman was the highest seller among non-bank brokerage houses.

Improving its international selling power as well, Yatırım Finansman led the secondary public offerings of Beşiktaş Futbol Yatırımları A.Ş. and Çelebi Hava Servisleri A.Ş. at the ISE in 2006.

Yatırım Finansman also carried out the capital increase of İş Finansal Kiralama A.Ş., a company listed on the ISE.

### Research and International Sales

Research is conducted for both in-house and third party needs. Research carried out for in-house needs address the requirements of the company's Funds and Portfolio Management Departments. Research for third parties is mainly geared toward international fund managers and domestic branch customers. Research reports are disseminated to the company's extensive customer base by phone, e-mail, Bloomberg, the corporate website and during one-on-one visits.

Research results are made available in both Turkish and English, in the form of company and industry-specific reports, daily, weekly and monthly bulletins, macro and quantitative analyses.

Backed by its international experience and know-how, Yatırım Finansman produces research reports at global standards. Global analysis techniques, a meticulous evaluation process and a unique perspective that shapes the comments combine to produce rich content and high quality. Yatırım Finansman's staff keeps abreast of macroeconomic developments using their unique skills to make realistic forecasts based on detailed analyses.

Issuer	Role	Size of IPO (US\$ million)
Başkent Menkul Kıymetler Yatırım Ortaklığı A.Ş.	Lead Underwriter	1
Reysaş Taşımacılık ve Lojistik Ticaret A.Ş.	Co-lead Manager	50
Selçuk Ecza Deposu Ticaret ve Sanayi A.Ş.	Co-lead Manager	200
Asya Katılım Bankası A.Ş.	Co-lead Manager	180
Vestel Beyaz Eşya San. ve Tic. A.Ş.	Consortium Member	142
Coca-Cola İçecek A.Ş.	Consortium Member	310
Karel Elektronik Sanayi ve Ticaret A.Ş.	Consortium Member	16.4
THY A.O.	Consortium Member	266
Istanbul Gold Type-B Gold Exchange Mutual Fund	Consortium Member	20



## Review of Operations in 2006

In addition to regular reports, special analyses and reports tailored to the needs of domestic and foreign individuals and institutional investors form part of the research team's responsibility. Goals for 2006 included producing research reports on 90% of the companies listed on the ISE, expanding the report distribution network both inside and outside Turkey and maintaining the same high degree of credibility that Yatirim Finansman's Research Department has achieved so far.

### Human Resources and Training Committed to human resources management

Human resources are critically important in capital markets. For this reason, Yatirim Finansman conducts training programs to improve the professional and personal skills of its staff. In addition to the opportunity of attending in-house training programs, employees are also encouraged to enroll in training programs in Turkey and abroad. The company places great importance on biannual performance evaluations and the performance-based payment scheme it has adopted. Performance evaluations, performed by both managers and employees themselves, serve to measure professional and basic competencies, and to establish achievement in a goal-oriented manner. Investment professionals at Yatirim Finansman are required to possess at least one capital market

certification. In addition to their salaries, employees enjoy the benefits of position allowances, language allowances, five bonuses a year, health insurance, transportation and lunch tickets.

A transparent evaluation system, a fair wage policy, major investments in human resources, comfortable and fully equipped offices and various social activities ensure a low employee turnover rate and a high level of motivation.

### The recruitment process

Recruitment at Yatirim Finansman involves a number of stages and is undertaken with great care. Appointments are made to fill vacant positions both from inside and outside the company. Candidates are evaluated in two stages, the first is a preliminary interview and the second an assessment by the personnel committee. Control mechanisms are in place to guarantee that the best applicants are chosen. Local recruitment by branches is performed under the supervision of the Headquarters.

### Training Programs

Yatirim Finansman's training expenses increase every year. In order to support employees' development in accordance with their career plans, priority is given to courses offered by professional organizations such as the Banks Association and the Brokerage Houses Association. In-house courses on motivation and personal development are also available. Some of the courses are conducted outdoors, where methods of "learning by experience" are employed. Training abroad will be the company's focus in the coming year.

Courses aimed at improving motivation and personal competency contributes to harmony and cooperation in the workplace. Employees from different departments are given the opportunity to come together at training sessions, a practice that reinforces the bond between employees.

Number of Employees and Branches	2004	2005	2006
Headquarters	49	57	67
Branches	64	64	63
Investment Trust	3	3	3
Total Number of Employees	116	124	133
Number of Branches	10	10	10

Professional and managerial competencies of Yatirim Finansman employees are improved through in-house training programs as well as training programs offered by other institutions in Turkey and abroad.



Yatırım Finansman's training expenses increase every year. In order to support employees' development in accordance with their career plans, priority is given to courses offered by professional organizations such as the Banks Association and the Brokerage Houses Association.

## Review of Operations in 2006

### Information Technology

Yatırım Finansman is one of the few brokerage houses in the industry to use its own software applications. Thanks to this, the company achieves a great deal of flexibility and operational convenience and takes customer needs into consideration at the product development stage.

Yatırım Finansman has a large and experienced IT team that is well equipped to meet the technology requirements of the future. This team possesses the skills required to develop software applications that constitute the basis of the company's systems and obtains services from solution partners operating in related fields.

Building its IT system on software brands of proven reliability, Yatırım Finansman has continued to invest in this area during 2006. Substantial investments have been made to update the existing security system and the latest technology was used to provide network and Internet security. Yatırım Finansman keeps backups of all data related to customers and their transactions at a separate center.

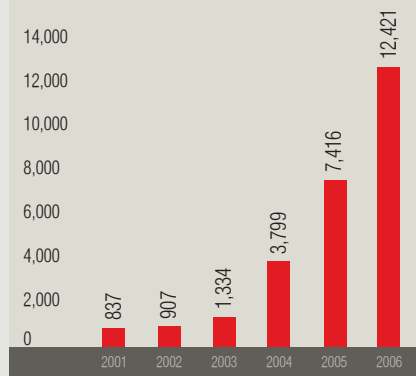
### Corporate Communications

The basic objective of Yatırım Finansman's corporate communications strategy is to promote the correct perception of the company among all economic and social stakeholders.

#### Yatırım Finansman;

- is well-established and reliable,
- provides a wide range of quality services,
- is an innovative and dynamic leader,
- is a role-model in the industry,
- has a strong workforce,
- adds value to employees' professional careers,
- offers high returns to customers while providing satisfaction for its employees and
- adds dynamism to the industry.

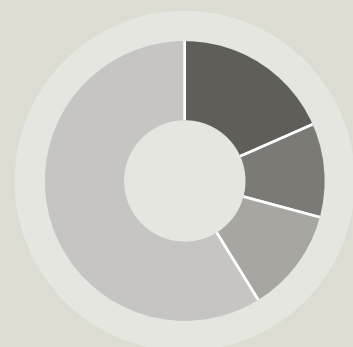
#### YATIRIM FİNANSMAN INVESTMENT TRUST NET ASSETS (TRY thousand)



### Yatırım Finansman Investment Trust

In 1999, 49% of the shares of Yatırım Finansman Investment Trust, a company established in 1998 under the leadership of Yatırım Finansman, were offered for trade on the ISE. By the end of 2006, the market value of the assets in Yatırım Finansman Investment Trust's investment portfolio reached TRY 12.4 million. The company's capital was raised to TRY 5 million in March 2006.

#### YATIRIM FİNANSMAN INVESTMENT TRUST SHAREHOLDERS (as of December 29, 2006)



Building its IT system on software brands of proven reliability, Yatırım Finansman has continued to invest in this area during 2006. Substantial investments have been made to update the existing security system; the latest technology was used to provide network and internet security.

## Major Developments in 2006 and New Services

### Yatırım Finansman takes over TSKB Menkul Değerler A.Ş.

On December 29, 2006 Yatırım Finansman took over all assets and liabilities of TSKB Menkul Değerler A.Ş. The merger of Yatırım Finansman Menkul Değerler and TSKB Menkul Değerler will support the development of capital markets in Turkey.

### Yatırım Finansman's 30th Anniversary

Yatırım Finansman celebrated its 30th anniversary in 2006. To establish new relationships with target audiences, Yatırım Finansman joined with investors in Turkey's major cities. The company's vision and well-established position as a leader in the finance and investment industries were introduced to target audiences with activities organized around the year. These activities have also contributed to Yatırım Finansman's brand recognition and its media coverage.

### Activities:

Yatırım Finansman 30th Anniversary Investor Meeting (Antalya)-March 29, 2006

Yatırım Finansman 30th Anniversary Investor Meeting (Izmir)-May 10, 2006  
Yatırım Finansman 30th Anniversary Investor Meeting (Ankara)-June 23, 2006  
Yatırım Finansman 30th Anniversary Night (Istanbul) - September 13, 2006

### Yatırım Finansman Investor Club

Offering first-rate brokerage services with its 30 years of experience and a strong team of experienced analysts and portfolio managers, Yatırım Finansman aims to translate knowledge into profit for its customers. To this end, Yatırım Finansman launched another unique service and established the Investor Club for mutual funds customers.

The Investor Club attracted plenty of attention from investors and reached a membership of 1,100 by the end of the year. Members of the Investor Club have the opportunity to invest their savings in Yatırım Finansman and get additional benefits.

### VOBAktif

With the VOBAktif application, introduced in 2006 within the Internet Branch, investors can carry out transactions on the ISE and the Derivatives Exchange rapidly and easily. Thanks to the TurkDEX Real Time Data (JavaMatrix) support of VOBAktif, developed by the company's own IT Department, investors can monitor the market, place orders, receive instant information about their transactions and follow the status of their portfolio and collaterals.

### Yatırım Finansman Type-B Variable Fund

Serving all types of investors with its extensive product range, Yatırım Finansman added a new mutual fund to its portfolio. The Type-B Variable Fund introduced in June 2006 reached TRY 2,133 million by the end of the year, for a 9.36% return.







# Consolidated Financial Statements

YATIRIM FINANSMAN MENKUL DEĞERLER A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2006

(Translated into English from The Original Turkish Report)





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**CONVENIENCE TRANSLATION OF THE REPORT AND  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT AUDITORS' REPORT ON THE  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 1 JANUARY - 31 DECEMBER 2006**

To the board of directors of  
Yatırım Finansman Menkul Değerler A.Ş.

1. 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 2006, 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**

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

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards published by 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

6. In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 31 December 2006 and the results of its financial performance and cash flows for the year then ended in accordance with the financial reporting standards published by the Capital Markets Board.
7. **Without qualifying our opinion, we would like to draw your attention to the following matter:**

As explained in detail in Note 40, the Company merged with TSKB Menkul Değerler A.Ş., 91.7946% of the shares of which is owned by Türkiye Sınai Kalkınma Bankası on 29 December 2006, by dissolution without liquidation pursuant to the provisions of the Article 451 of the Turkish Commercial Code and other provisions of the same Code and provisions of the Articles 19 and 20 of the Corporate Tax Law, through transfer of all rights, receivables, payables and liabilities to the Company free of taxes. This transaction which was conducted between entities under common control has been accounted for by use the uniting of interest method of accounting in the accompanying financial statements. Accordingly, the accompanying financial statements of the Company are retrospectively restated to reflect the effect of this structural change for the comparative years as if this transaction had been conducted at the beginning of the earliest period presented (the beginning of 2005). Therefore, the balance sheet as of December 31, 2005 in the accompanying financial statements, and the statements of income, changes in shareholder's equity and cash flows for the period ending at that date are different from the financial statements previously reported, due to the impact of the merger with TSKB Menkul Değerler A.Ş.

8. **Additional paragraph for English translation:**

The effect of the differences between the accounting principles summarized in Note 2 and the accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards (IFRS) have not been quantified and reflected in the accompanying consolidated financial statements. The accounting principles used in the preparation of the accompanying consolidated financial statements differ materially from IFRS. Accordingly, the accompanying consolidated financial statements are not intended to present the Group's consolidated financial position and results of its consolidated operations in accordance with accounting principles generally accepted in such countries of users of the financial statements and IFRS.

Istanbul, 9 February 2007

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of **DELOITTE TOUCHE TOHMATSU**

Hasan Kılıç  
Partner

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**CONSOLIDATED BALANCE SHEETS AS OF**  
**31 DECEMBER 2006 AND 2005**

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

ASSETS	Note	31 December 2006 TRY	Restated 31 December 2005 TRY
<b>Current Assets</b>		<b>126.118.690</b>	<b>88.663.464</b>
Cash and cash equivalents	4	2.345.136	13.204.983
Marketable Securities (net)	5	31.141.087	23.149.186
Trade Receivables (net)	7	76.442.954	51.793.854
Due from related parties (net)	9	306.011	487.302
Other receivables (net)	10	15.851.250	-
Deferred tax assets	11	-	-
Other current assets	12	32.252	28.139
<b>Long-Term Assets</b>		<b>7.328.858</b>	<b>7.172.153</b>
Trade Receivables (net)	7	-	-
Due from related parties (net)	9	-	-
Other receivables (net)	10	-	-
Financial assets (net)	13	5.350.678	4.857.437
Positive / (negative) goodwill (net)	14	-	-
Tangible Assets (net)	15	1.586.078	2.020.630
Intangible assets (net)	16	246.258	115.723
Deferred tax assets	11	145.844	178.363
Other long-term assets	12	-	-
<b>Total Assets</b>		<b>133.447.548</b>	<b>95.835.617</b>

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

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.****CONSOLIDATED BALANCE SHEETS AS OF****31 DECEMBER 2006 AND 2005****(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)**

<b>LIABILITIES</b>	<b>Note</b>	<b>31 December 2006 TRY</b>	<b>Restated 31 December 2005 TRY</b>
<b>Short-term liabilities</b>		<b>87.028.095</b>	<b>57.178.105</b>
Short-term borrowings (net)	6	-	8.303.940
Short-term portions of long-term borrowings (net)	6	-	-
Finance lease payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	85.664.021	47.452.561
Due to related parties (net)	9	-	-
Advances received	17	-	-
Provisions	19	256.228	463.529
Deferred tax liabilities	11	-	-
Other short-term liabilities (net)	10	1.107.846	958.075
<b>Long-term liabilities</b>		<b>635.071</b>	<b>910.065</b>
Long-term borrowings (net)	6	-	-
Finance lease payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	-	-
Due to related parties (net)	9	-	-
Advances received	17	-	-
Provisions	19	635.068	910.062
Deferred tax liabilities	11	-	-
Other long-term liabilities (net)	10	3	3
<b>Minority Interests</b>	<b>20</b>	<b>10.012.484</b>	<b>6.034.888</b>
<b>Shareholder's Equity</b>		<b>35.771.898</b>	<b>31.712.559</b>
Capital	21	11.675.000	11.675.000
Treasury stock	21	-	(9.162)
Capital reserves	22	14.812.075	14.775.230
- Premium in Excess of Par		1.107	962
- Gain on cancellation of equity shares		-	-
- Revaluation Fund		-	-
- Valuation Fund on Financial Assets		1.336.301	1.345.252
- Shareholders' Equity Inflation Restatement Differences		13.474.667	13.429.016
- Currency translation reserve	23	4.574.194	-
- Legal reserves		617.043	-
- Statutory reserves		-	-
- Extraordinary reserves		3.855.158	-
- Special reserves		101.993	-
- Gain on sale of properties and equity participations which will be transferred to capital		-	-
-Currency Translation Reserve		-	-
Net profit / (loss) for the year		4.911.000	5.513.534
Retained earnings		-	-
Accumulated losses	24	(200.371)	(242.043)
<b>Total Liabilities and Shareholders' Equity</b>		<b>133.447.548</b>	<b>95.835.617</b>

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

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.****CONSOLIDATED STATEMENTS OF INCOME****FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

<b>INCOME STATEMENT</b>	<b>Notes</b>	<b>1 January - 31 December 2006 TRY</b>	<b>Restated 1 January - 31 December 2005 TRY</b>
<b>OPERATING INCOME</b>			
Sales revenue (net)	32	3.237.507.687	2.467.194.001
Cost of sales (-)	32	(3.236.598.020)	(2.464.344.872)
Income from services (net)	32	16.434.007	15.188.132
Other operating income (net)	32	3.685.561	2.637.582
<b>GROSS PROFIT / (LOSS)</b>		<b>21.029.235</b>	<b>20.674.843</b>
Operating expenses (-)	33	(15.926.732)	(14.846.023)
<b>NET OPERATING PROFIT / (LOSS)</b>		<b>5.102.503</b>	<b>5.828.820</b>
Other income and profits	34	2.844.749	3.422.899
Other expenses and losses (-)	34	(900.600)	(274.047)
Finance income / (expenses) (net)	35	(752.728)	(323.584)
<b>OPERATING PROFIT / (LOSS)</b>		<b>6.293.924</b>	<b>8.654.088</b>
Net monetary gain / (loss)	36	-	-
<b>MINORITY INTEREST</b>	<b>20</b>	<b>(141.755)</b>	<b>(1.296.615)</b>
<b>PROFIT / (LOSS) BEFORE TAXATION</b>		<b>6.152.169</b>	<b>7.357.473</b>
Taxation	37	(1.241.169)	(1.843.939)
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>		<b>4.911.000</b>	<b>5.513.534</b>
<b>EARNINGS PER SHARE</b>	<b>38</b>	<b>-</b>	<b>-</b>

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

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
**(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)**

	Capital	Treasury	Premium	Shareholders' Equity	Legal	Extraordinary	Special	Valuation	Retained	Total
	TRY	Stock	in Excess	Inflation	Reserves	Reserves	Reserves	Fund on	Earnings/	TRY
		TRY	of par	Restatement	TRY	TRY	TRY	Financial	(Accumulated	
			TRY	Differences				Assets	Losses)	TRY
				TRY				TRY	TRY	TRY
Balance as of 1 January 2005	10.000.000	-	1.783	73.716.289	1.223.281	53.457	-	340.859	(63.865.409)	21.470.260
Restatement effect of the merger	1.675.000	(9.162)	-	9.110.742	281.630	519.656	-	-	(7.854.456)	3.723.410
As restated as of 1 January 2005	11.675.000	(9.162)	1.783	82.827.031	1.504.911	573.113	-	340.859	(71.719.865)	25.193.670
Elimination of accumulated losses (note 23)	-	-	(1.783)	(69.398.015)	(1.504.911)	(573.113)	-	-	71.477.822	-
Change in valuation fund on financial assets	-	-	-	-	-	-	-	1.004.393	-	1.004.393
Change in premium in excess of par	-	-	962	-	-	-	-	-	-	962
Net period profit	-	-	-	-	-	-	-	-	5.513.534	5.513.534
Balance as of 31 December 2005	11.675.000	(9.162)	962	13.429.016	-	-	-	1.345.252	5.271.491	31.712.559
Balance as of 1 January 2006	11.675.000	(9.162)	962	13.429.016	-	-	-	1.345.252	5.271.491	31.712.559
Treasury stock	-	9.162	-	45.651	-	-	-	-	(18.111)	36.702
Transfers	-	-	-	-	617.043	3.855.158	101.993	-	(4.574.194)	-
Change in premium in excess of par	-	-	145	-	-	-	-	-	-	145
Dividends paid	-	-	-	-	-	-	-	-	(879.557)	(879.557)
Change in valuation fund on financial assets	-	-	-	-	-	-	-	(8.951)	-	(8.951)
Net period profit	-	-	-	-	-	-	-	-	4.911.000	4.911.000
Balance as of 31 December 2006	11.675.000	-	1.107	13.474.667	617.043	3.855.158	101.993	1.336.301	4.710.629	35.771.898

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

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.****CONSOLIDATED STATEMENTS OF CASH FLOWS****FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

	Note	1 January- 31 December 2006 TRY	Restated 1 January- 31 December 2005 TRY
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit for the period		4.911.000	5.513.534
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation of tangible assets	15	758.595	885.806
Amortization of intangible assets	16	14.603	5.970
Losses on sale of available for sale financial assets	34	19.279	-
Retirement pay provision	19	(128.986)	192.546
Minority interest	20	141.755	1.296.615
Accrued income on marketable securities		4.998.745	529.066
Accrued taxation	37	1.241.169	1.843.939
<b>Cash provided by operating activities before changes in working capital</b>		<b>11.956.160</b>	<b>10.267.476</b>
(Increase)/decrease in trade receivables	7	(24.649.100)	(37.741.348)
(Increase)/decrease in due from related parties	9	181.291	(16.302)
(Increase)/decrease in other trade receivables and current assets	10-12	(15.855.363)	17.417
Increase/(decrease) in trade payables	7	38.211.460	36.757.103
Increase/(decrease) in due to related parties	9	-	-
<b>Increase/(decrease) in other payables and expense accruals</b>	<b>10</b>	<b>149.771</b>	<b>(71.146)</b>
Cash from operating activities		9.994.219	9.213.200
Taxes paid	19	(1.442.218)	(2.113.658)
Retirement payments made	19	(146.008)	(75.954)
<b>Cash from/(used) from operating activities</b>		<b>8.405.993</b>	<b>7.023.588</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Changes in marketable securities (net)		(13.016.570)	(3.651.878)
Purchases of tangible assets	15	(344.277)	(587.708)
Purchases of intangible assets	16	(145.138)	(113.200)
Sale of fixed assets (net)	15	20.235	10.591
Purchases of available for sale financial assets	13	(450.000)	-
Disposals of available for sale financial assets		17.421	-
<b>Net cash used in investing activities</b>		<b>(13.918.329)</b>	<b>(4.342.195)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Financial borrowings (net)	6	(8.303.940)	8.303.940
Dividends paid		(879.557)	-
Changes in capital and premium in excess of par (net)		145	962
Changes in minority interests		3.835.841	1.636.269
<b>Cash from/(used) from financing activities</b>		<b>(5.347.511)</b>	<b>9.941.171</b>
NET CHANGES IN CASH AND CASH EQUIVALENTS		(10.859.847)	12.622.564
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	4	13.204.983	582.419
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>4</b>	<b>2.345.136</b>	<b>13.204.983</b>

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



## **YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

### **1. ORGANIZATION AND OPERATIONS OF THE GROUP**

Yatırım Finansman A.Ş. (“the Company”) has been established in İstanbul on 15 October 1976 with the announcement made in the Trade Registry Gazette dated 25 October 1976 and numbered 81. On 2 April 1999, The Company's title has been changed to Yatırım Finansman Menkul Değerler A.Ş. by the announcement in the Trade Registry Gazette numbered 4762. The Company's aim is to engage in the capital market operations, as described in its main contract in accordance with the Capital Markets Law and the related legislation.

The Company has 18.4% participation in the consolidated subsidiary Yatırım Finansman Yatırım Ortaklığı A.Ş. Yatırım Finansman Yatırım Ortaklığı A.Ş. was established by registering with the İstanbul Trade Registry on 31 December 1998 and publishing its registration in the Trade Registry Gazette numbered 4714 dated 18 January 1999. Within the framework of the Capital Markets Law numbered 2499 as amended by the Law numbered 3794 and the related legislation, the Company's main purpose is to manage portfolios composed of shares of entities, gold and other precious metals that are traded in the domestic and international stock exchanges or over the counter markets, with no intention of controlling stake or their management.

The Company and its subsidiary are the group companies of Türkiye İş Bankası A.Ş. and the head office of the Company and its subsidiary, Yatırım Finansman Yatırım Ortaklığı A.Ş. is in İstanbul. As of 31 December 2006, the number of employees working for the Group is 133 in total, 130 for the Company, and 3 for its subsidiary Yatırım Finansman Yatırım Ortaklığı A.Ş. (31 December 2005: Total: 130, Company: 127 and its subsidiary: 3). The head office is at Nispetiye Caddesi Akmerkez E-3 Blok Kat:4 Etiler 34337 Beşiktaş-İstanbul, Turkey.

The Company merged with TSKB Menkul Değerler A.Ş. on 29 December 2006.

### **2. BASIS OF THE FINANCIAL STATEMENTS**

#### **Basis of Accounting Standards:**

The Group maintains its books of account and prepares its statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation.

The accompanying financial statements include adjustments and reclassifications to the statutory records in accordance with the Communiqué No: XI/25 “Communiqué on Capital Market Accounting Standards” (“Communiqué No: XI/25”) published by Capital Markets Board (“CMB”).

#### **Basis of Preparation of Financial Statements:**

Communiqué No: XI/25 issued by the CMB, provides a detailed set of accounting principles. This Communiqué declared that as an alternative the compliance with the accounting standards issued by the International Accounting Standards Board (IASB) and the International Accounting Standards Committee (IASC) will be counted as in compliance to the CMB Accounting Standards. The accompanying financial statements were prepared in accordance with the CMB's Communiqué No: XI/25 and with the CMB's announcement on 20 December 2004 regarding the format of the financial statements and notes.

Restatement adjustments have been made to compensate for the effect of change in the general purchasing power of the Turkish Lira in accordance with the requirements set out in “IAS 29: Financial Reporting in Hyperinflationary Economies” for the financial statements prepared prior to 1 January 2005. IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date. Based on the CMB's meeting No: 11/367 held on 17 March 2005, it was decided that since the hyperinflationary period and the indicators of the hyperinflationary period deemed no longer valid, the preparation of financial statements according to inflation accounting has been ceased in 2005 and the inflation accounting has not been applied in the accompanying financial statements subsequent to 1 January 2005.

## YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005

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

#### Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company. Assets, liabilities, equity, income and expenses attributable to the parent company and its subsidiaries in the financial statements are consolidated fully and necessary adjustments are made within the context of procedures and principles of consolidation. The shares in the shareholders' equity and income statement which belong to third parties are separately disclosed as minority interest by taking the equities of the subsidiaries owned by the parent company into consideration.

The subsidiary, which is fully consolidated in the accompanying consolidated financial statements, is as follows:

	31 Aralık 2006 %	31 Aralık 2005 %
Yatırım Finansman Yatırım Ortaklığı A.Ş.	18,4	18,4

Comparative information and prior period restatement of financial statements:

Required reclassifications and adjustments are made to the prior year financial statements to comply with the current year presentation, wherever necessary.

#### Offsetting:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used to prepare the accompanying consolidated financial statements are as follows:

#### a. Revenue recognition:

Revenue is reflecting the gross amount of economic benefit which the Group has realized from its ordinary activities.

#### b. Tangible Assets:

Property, plant and equipment purchased before 1 January 2005 are carried at indexed historical cost as of 31 December 2004 and purchases after this date are carried at historical cost, less accumulated depreciation and impairment.

Property, plant and equipment are depreciated principally on a straight-line basis considering expected useful lives, acquisition and assembly dates. Expected useful lives which have been used by the Group are summarized below:

Motor Vehicles, furniture and fixtures	5 years
Leasehold improvements	5 years

If the carrying values of the tangible assets are greater than their estimated replacement cost, their carrying values are decreased to their replacement cost by making a provision.

Maintenance expenses of tangible assets are expensed.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
**(Amounts are expressed in New Turkish Lira [“TRY”] unless otherwise indicated.)**

**c. Intangible Assets:**

Intangible assets that are acquired before 1 January 2005 are carried with their restated cost as of 31 December 2004; and intangible assets that are acquired after 1 January 2005 are carried with their cost, less accumulated amortization and impairment.

Intangible assets are amortized principally on a straight-line basis considering expected useful lives. Related intangible assets are depreciated when they are ready to use. The useful lives used for intangible assets are 5 years.

**ç. Impairment of Assets:**

At each balance sheet date, assets other than deferred tax and financial assets are investigated whether there is an indication which requires impairment of the asset or not. If there is such an indication, recoverable amount of that asset is estimated. If the carrying amount of an asset exceeds its recoverable amount, allowance for impairment should be provided. Recoverable amount of an asset is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flow expected to arise from the continuing use of an asset and from its disposal at the end of its life.

**d. Borrowing Costs:**

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

**e. Financial Instruments:**

Financial instruments include financial assets and financial liabilities. Financial instruments constitute the basis of Group's commercial operations and activities. These instruments and associated risks constitute the majority of the Group's total risk. Financial instruments affect liquidity, credit and price risk over financial statements.

After initial recording, all financial assets are valued at their fair values other than trade receivables, held-to-maturity investments, assets that do not have a quoted market price in an active market and whose fair values can not be reliably estimated. Financial assets which are not valued at their fair values with certain maturities are recorded at their discounted values and assets without certain maturities are recorded at cost. Valuations of financial assets are checked periodically for the allowance for impairment.

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties in an arms length transaction. Market value is the amount obtainable from the sale or payable on the acquisition, of a financial instrument in an active market, if one exists.

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.

The fair values of certain financial assets carried at cost are considered to be representative of carrying values due to their short-term nature.

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

*Cash and cash equivalents:* Cash and bank balances denominated in foreign currencies are translated at year-end exchange rates. The carrying amounts of the remaining cash and bank balances are reasonable estimates of their fair value.

## **YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

**(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)**

*Marketable securities:* Fair value is estimated using quoted market prices wherever applicable. For those where no market price is available, the carrying amounts in the books are estimated to be their fair values.

*Trade receivables and trade payables:* Book values of the trade receivables along with the related allowances for uncollectibility and trade payables balances are estimated to be their fair values.

*Due to/from related parties:* The carrying value of due to and due from related parties are estimated to be their fair values.

*Borrowings:* Interest-bearing bank loans are subject to the interest rates which are fixed on an entry value basis. Bank loans are recorded at the proceeds received. Finance charges are accounted for on accrual basis and are added to the carrying amount of the instrument to the extent they are not settled in the period in which they arise.

#### **Credit Risk**

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment.

#### **Price Risk**

Price risk is the fluctuations in interest rates, exchange rates and the price of marketable securities and financial agreements adversely affecting the Group. The main risks for the Group are the changes in interest rates and exchange rates.

#### **Liquidity Risk**

The Group is generally raising funds by liquidating its short-term financial instruments such as collecting its receivables and disposing of marketable securities. The Group's proceedings from these instruments generally approximate their fair values.

#### **f. Mergers and Acquisitions:**

The Company merged with TSKB Menkul Değerler A.Ş., 91.7946% of the shares of which is owned by Türkiye Sınai Kalkınma Bankası, by dissolution without liquidation, pursuant to the provisions of the Article 451 of the Turkish Commercial Code, and other provisions of the same Code, and provisions of the Articles 19 and 20 of the Corporate Tax Law, through transfer of all rights, receivables, payables and liabilities to the Company free of taxes.

As explained in detail in Note. 40, since the operations of the Company and TSKB Menkul Değerler A.Ş. had been under the control of Türkiye Sınai Kalkınma Bankası A.Ş., and the merger has been accounted for by using the uniting of interest method of accounting in the accompanying financial statements.

#### **g. Foreign Currency Transactions:**

In the statutory accounts of the Group, transactions in foreign currencies (currencies other than the New Turkish Lira) are translated into the New Turkish Lira at the rates of exchange ruling at the transaction dates. Assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Gains and losses arising on settlement and translation of foreign currency items are included in the statements of income.

#### **h. Earnings per Share:**

Earning per share is the portion of the net profit or loss that accounts for the common share, which divided by the weighted average number of common shares.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
**(Amounts are expressed in New Turkish Lira [“TRY”] unless otherwise indicated.)**

**i. Subsequent Events:**

Subsequent events covers any events which arise between the reporting date and the balance sheet date, even occurred after any declaration of the net profit for the period or specific financial information publicly disclosed.

The Group adjusts its consolidated financial statements if such subsequent events arise which require to adjust financial statements.

**i. Provisions, Contingent Liabilities and Contingent Assets:**

Provision is provided and disclosed on the consolidated financial statements, if there is a reliably measurable legal or implicit liability regarding to the previous events and this liability requires an outflow of economic resource of the Group.

**j. Change in Accounting Policies, Accounting Estimates and Errors:**

Changes in accounting policies or fundamental accounting errors are applied retrospectively and the consolidated financial statements for the prior periods are restated. If changes in accounting estimates relate only for one period, changes are applied in the current period but if changes in estimates relate more than one period, changes are applied both in the current and following periods prospectively.

**k. Financial Lease:**

Assets held under finance leases are recognized as assets of the Group at their fair value at the date of acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

**l. Related Parties:**

For the purpose of accompanying consolidated financial statements, shareholders of Yatırım Finansman Menkul Değerler A.Ş. and other companies owned by the shareholders, their directors and key management personnel and any companies in which they are known to be related, are considered and referred to as related parties.

**m. Segmental Information:**

Since the Group predominantly operates in marketable securities sector and in Turkey, the accompanying financial statements do not include segmental information.

**n. Construction Contracts:**

None.

**o. Discontinued Operations:**

None.

**ö. Government Grants and Incentives:**

None.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

**p. Taxation and Deferred Tax:**

Taxes on income for the period comprise of current tax and the change in deferred taxes.

Provision is made in the accompanying financial statements for the estimated corporate tax based on the results for the period. Current taxation is calculated from the statutory accounting profit by adding back non-deductible expenses and taking into consideration of other income exemptions.

Deferred tax assets and liabilities are recognized using the liability method in respect of material temporary differences arising from different treatment of items for accounting in the financial statements and taxation purposes. Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are only provided to the extent if it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets are offset by the amount that is not recoverable.

**r. Employee Benefits / Retirement Pay Provision:**

Under Turkish Law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Total provision represents the vested benefit obligation as at the balance sheet date. Future retirement payments are discounted to their present value at the balance sheet date and reflected to the accompanying consolidated financial statements.

**s. Pension Obligations:**

None.

**ş. Agricultural Operations:**

None.

**t. Statement of Cash Flows:**

The statement of cash flows is reported by classifying the items such as operating, investment and financing activities. Cash on hand represents the items such as cash, banks etc. which are held for the current liabilities and not used for investing and other purposes.

**u. Marketable securities:**

The Group designates its securities portfolio as follows:

Securities held for trading:

Securities held for trading are those acquired principally for the purpose of generating profit from short-term fluctuations in their price or dealer's margin. Subsequent to initial recognition, held for trading securities are valued at their fair value if reliably measured. Gains or losses on held for trading securities are included in net profit or loss for the period in which they arise.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)

Securities held to maturity:

Held to maturity investments are securities with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity. Held to maturity securities with fixed maturities are measured at amortized cost using the effective interest rate method.

Securities available for sale:

Available for sale securities are those that are, not (a) held-to-maturity investments, or (b) securities held for trading. Subsequent to acquisition, available for sale securities are valued at their fair value if they are reliably measured. Otherwise, they are accounted for at amortized cost. For available for sale investments, income and expenses are recognized in the statement of income and gains and losses arising from changes in fair value are recognized directly in equity, until the security is disposed of, at which time the cumulative gain or loss previously recognized in equity is included in the profit or loss for the period.

**4. CASH AND CASH EQUIVALENTS**

	31 December 2006 TRY	31 December 2005 TRY
Cash	33.999	42.974
Demand Deposits	2.311.137	1.179.205
Time Deposits	-	11.982.804
	<b>2.345.136</b>	<b>13.204.983</b>

**Time Deposits:**

Currency	Interest Rate	Maturity	31 December 2005 TRY
TRY	15,51%	31.03.2006	3.163.608
TRY	15,56%	14.03.2006	3.138.673
TRY	16,36%	01.02.2006	3.005.379
TRY	14,96%	24.02.2006	2.030.329
TRY	17,00%	16.01.2006	644.815
			<b>11.982.804</b>

The total amount of deposits made by the Company on behalf of its customers is TRY 1.774.826 (TRY 1.035.073 as of 31 December 2005) and this balance is presented as demand deposits and the corresponding entry in the foreign currency trade payables in the accompanying financial statements.

**5. MARKETABLE SECURITIES (NET)**

	31 December 2006 TRY	31 December 2005 TRY
Securities held for trading	27.615.742	17.671.419
Securities available for sale	3.525.345	5.477.767
Securities held to maturity	-	-
	<b>31.141.087</b>	<b>23.149.186</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

	31 December 2006		
	Cost TRY	Fair Value TRY	Carrying Value TRY
<b>Securities held for trading</b>			
Equity shares	7.018.720	6.674.553	6.674.553
Private sector bonds	1.000.000	1.024.000	1.024.000
Government bonds	10.831.223	10.922.133	10.922.133
Treasury bills	1.163.184	1.164.187	1.164.187
Investment funds	312.696	461.137	461.137
Marketable securities given as guarantees	7.027.546	7.369.732	7.369.732
	<b>27.353.369</b>	<b>27.615.742</b>	<b>27.615.742</b>

	31 December 2005		
	Cost TRY	Fair Value TRY	Carrying Value TRY
<b>Securities held for trading</b>			
Equity shares	4.895.274	5.712.872	5.712.872
Government bonds	7.526.305	7.705.219	7.705.219
Treasury bills	788.055	796.911	796.911
Investment funds	738.693	1.230.822	1.230.822
Reverse repo agreements	181.399	181.399	181.399
Marketable securities given as guarantees	1.906.451	2.044.196	2.044.196
	<b>16.036.177</b>	<b>17.671.419</b>	<b>17.671.419</b>

As of the balance sheet date, details of marketable securities given as guarantee are as follows.

	31 December 2006		
	Nominal	TRY Cost	Carrying Value
Istanbul Stock Exchange	2.900.000	2.862.841	2.892.130
Turkish Central Bank	1.500.000	1.133.975	1.186.700
Stock Market	2.377.158	2.056.025	2.238.450
IMKB Takas ve Saklama Bankası A.Ş.	350.000	305.435	331.377
Derivatives Exchange (VOB)	250.000	228.880	247.680
Capital Markets Board	500.000	440.390	473.395
	<b>7.877.158</b>	<b>7.027.546</b>	<b>7.369.732</b>

	31 December 2005		
	Nominal	TRY Cost	Carrying Value
Turkish Central Bank	1.500.000	1.189.428	1.282.503
Stock Market	215.000	222.200	222.312
IMKB Takas ve Saklama Bankası	250.000	261.908	258.503
Derivatives Exchange (VOB)	305.000	232.915	280.878
	<b>2.270.000</b>	<b>1.906.451</b>	<b>2.044.196</b>



**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)

Securities available for sale	Cost TRY	31 December 2006	
		Fair Value TRY	Carrying Value TRY
Turquoise Investment Fund, Luxemburg	3.000.000	3.525.345	3.525.345

Securities available for sale	Cost TRY	31 December 2006	
		Fair Value TRY	Carrying Value TRY
Turquoise Investment Fund, Luxemburg	3.000.000	3.513.309	3.513.309
Marketable securities given as guarantees	1.699.378	1.964.458	1.964.458
	<b>4.699.378</b>	<b>5.477.767</b>	<b>5.477.767</b>

As of 31 December 2005, details of marketable securities given as guarantee are as follows.

	Nominal	31 December 2005	
		TRY Cost	Carrying Value
Turkish Central Bank	700.000	561.717	652.960
Stock Market	1.177.154	902.355	1.040.038
İMKB Takas ve Saklama Bankası	300.000	235.306	271.460
	<b>2.177.154</b>	<b>1.699.378</b>	<b>1.964.458</b>

**6. BORROWINGS (NET)**

	31 December 2006 TRY	31 December 2005 TRY
Short-term borrowings	-	8.303.940
	-	<b>8.303.940</b>

**Short-term bank-loans:**

Currency	Interest Rate	Maturity	31 December 2005 TRY
TRY	16,5%	02.01.2006	8.303.940
			<b>8.303.940</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

**7. TRADE RECEIVABLES AND PAYABLES (NET)****Short Term:**

<b>Trade receivables:</b>	<b>31 December 2006 TRY</b>	<b>31 December 2005 TRY</b>
Receivables from customers on securities trading (*)	52.105.430	35.323.126
Receivables from customers on treasury bonds trading (**)	4.299.729	-
Receivables from margin trading	17.105.162	11.212.226
Receivables from transactions in Derivatives Exchange (VOB)	2.801.454	473.882
Receivables from IMKB Takas ve Saklama Bankası A.Ş.	-	4.410.208
Other receivables from customers	76.955	205.307
Deposits and guarantees given	50.526	86.163
Other trade receivables	3.698	82.942
	<b>76.442.954</b>	<b>51.793.854</b>

(\*) Consist of receivables of the Company from its customers on securities trading conducted on 28 and 29 December 2006.

(\*\*) Consist of receivables of the Company from its customers due to purchase of treasury bills with the value date of 4 January 2007, as a result of the treasury tender made on 28 December 2006 and finalized on 29 December 2006.

<b>Trade Payables:</b>	<b>31 December 2006 TRY</b>	<b>31 December 2005 TRY</b>
Payables to customers on securities trading (*)	47.929.083	38.868.943
Payables to IMKB Takas ve Saklama Bankası A.Ş. (***)	4.389.485	953.183
Payables to customers on Stock Exchange Money Market transactions	15.440.000	-
Payables related with the transactions in Derivatives Exchange (VOB)	2.491.353	472.650
Payables related with repurchase agreements	7.302.247	4.555.183
Foreign currency payables to customers	1.774.825	1.035.073
Payables to Central Bank of Turkey (**)	5.200.179	-
Other payables to customers	1.129.616	1.567.529
Commission reimbursement payables	7.233	-
	<b>85.664.021</b>	<b>47.452.561</b>

(\*) Consist of payables of the Company to its customers on securities trading conducted on 28 and 29 December 2006.

(\*\*) Consist of payables of the Company to Central Bank of Turkey due to purchase of treasury bills with the value date of 4 January 2007, as a result of the treasury tender made on 28 December 2006 and finalized on 29 December 2006.

(\*\*\*) Consist of payables of the Company to IMKB Takas ve Saklama Bankası A.Ş. due to securities trading made on behalf of its customers on 28 and 29 December 2006.

**8. FINANCE LEASE RECEIVABLES AND PAYABLES (NET)**

As of 31 December 2005 and 31 December 2006, there are no finance lease receivables and payables.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)

**9. DUE FROM / TO RELATED PARTIES (NET)**

	31 December 2006 TRY	31 December 2005 TRY
Due from related parties		
Management Fee Receivables From Yatirim Finansman Mutual Funds	306.011	465.098
Management Fee Receivables From TSKB Yatirim Mutual Funds	-	22.204
	<b>306.011</b>	<b>487.302</b>
	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
<b>Key management personnel benefits</b>	<b>921.647</b>	<b>502.982</b>
	1 January- 31 December 2006	1 January- 31 December 2005
<b>Services received from related parties</b>		
TSKB Investment Bank letter of guarantee commissions	1.298	741
<b>Services given to related parties</b>		
TSKB Yatirim Mutual Fund commissions	3.910	934
Yatirim Finansman Mutual Fund commissions	4.119.793	4.648.737
	<b>4.123.703</b>	<b>4.649.671</b>

**10. OTHER RECEIVABLES AND PAYABLES (NET)**

<b>Other receivables</b>	31 December 2006 TRY	31 December 2005 TRY
<b>Short-term</b>		
Receivables from Stock Exchange Money Market	15.851.250	-
	<b>15.851.250</b>	<b>-</b>
<b>Other liabilities</b>	31 Aralık 2006 TRY	31 Aralık 2005 TRY
<b>Short-term</b>		
Payables to Stock Exchange Money Market	-	549.859
Taxes and dues payable	867.582	386.382
Other accruals and liabilities	240.264	21.834
	<b>1.107.846</b>	<b>958.075</b>
<b>Long-term</b>		
Withholding Tax Provision	3	3
	<b>3</b>	<b>3</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

**11. DEFERRED TAX ASSETS AND LIABILITIES (NET)**

**Deferred Tax**

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between the accompanying financial statements and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for the accompanying financial statements and tax purposes and are set out below:

Deferred tax rate is 20%. (31 December 2005: %30).

	31 December 2006 TRY	31 December 2005 TRY
<b>Temporary differences subject to deferred tax:</b>		
Useful life differences on tangible and intangible assets	(245.665)	(113.798)
Retirement pay provision	(619.793)	(903.219)
Available for sale investment valuation difference	525.340	-
Other adjustments	4.899	422.476
	<b>(335.219)</b>	<b>(594.541)</b>
	<b>31 Aralık 2006 TRY</b>	<b>31 Aralık 2005 TRY</b>
<b>Deferred tax assets / (liabilities):</b>		
Useful life differences on tangible and intangible assets	(49.133)	(34.140)
Retirement pay provision	(123.959)	(270.966)
Available for sale investment valuation difference	26.267	-
Other adjustments	981	126.743
	<b>(145.844)</b>	<b>(178.363)</b>
<b>Movement of deferred tax asset / (liability):</b>		
Opening balance, 1 January	(178.363)	(245.348)
Change in the opening balance of deferred tax balance resulting from the decrease in tax rate	59.455	-
Monetary gain	-	-
Deferred tax on available for sale investment valuation differences	26.267	-
Deferred tax (benefit) / charge (Note 37)	(53.203)	66.985
<b>Closing balance, 31 December</b>	<b>(145.844)</b>	<b>(178.363)</b>

**12. OTHER CURRENT / LONG-TERM ASSETS AND LONG-TERM LIABILITIES**

	31 December 2006 TRY	31 December 2005 TRY
Other current assets		
Advances given	3.869	-
Prepaid expenses	28.383	28.139
	<b>32.252</b>	<b>28.139</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

**13. FINANCIAL ASSETS (NET)**

**FINANCIAL ASSETS AVAILABLE FOR SALE (NET)**

	31 December 2006		31 December 2005	
	%	TRY	%	TRY
İş Portföy Yönetimi A.Ş.	5,00	567.237	5,00	317.237
Takasbank A.Ş.	1,80	3.746.217	1,80	3.746.217
Terme Metal San. Tic. A.Ş.	0,94	931.948	0,94	931.948
TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.	0,20	200.000	-	-
TSKB Gayrimenkul Değerleme A.Ş.	0,00	1	-	-
Yıfaş Yeşilyurt Tekstil San. Ve Tic. A.Ş.	0,23	159.987	0,23	159.987
<b>TOTAL</b>		<b>5.605.390</b>		<b>5.155.389</b>
Financial assets value increase		837.223		793.983
Financial assets impairment losses (-)		(1.091.935)		(1.091.935)
		<b>5.350.678</b>		<b>4.857.437</b>

**14. POSITIVE / (NEGATIVE) GOODWILL (NET)**

As of 31 December 2006 and 31 December 2005, there is no positive / (negative) goodwill.

**15. TANGIBLE ASSETS (NET)**

	Vehicles TRY	Furniture and Fixtures TRY	Leasehold Improvements TRY	Total TRY
<b>Acquisition cost</b>				
Opening balance, 1 January 2006	439.119	4.813.656	3.656.677	8.909.452
Additions	55.398	256.723	32.156	344.277
Disposals	(34.490)	(287.830)	-	(322.320)
<b>Closing balance, 31 December 2006</b>	<b>460.027</b>	<b>4.782.549</b>	<b>3.688.833</b>	<b>8.931.409</b>
<b>Accumulated depreciation</b>				
Opening balance, 1 January 2006	220.766	3.833.988	2.834.068	6.888.822
Charge for the period	84.033	327.848	346.714	758.595
Disposals	(18.469)	(283.616)	-	(302.085)
<b>Closing balance, 31 December 2006</b>	<b>286.330</b>	<b>3.878.220</b>	<b>3.180.781</b>	<b>7.345.331</b>
<b>Net book value as of 31 December 2005</b>	<b>218.353</b>	<b>979.668</b>	<b>822.609</b>	<b>2.020.630</b>
<b>Net book value as of 31 December 2006</b>	<b>173.697</b>	<b>904.329</b>	<b>508.052</b>	<b>1.586.078</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

	Vehicles TRY	Furniture and Fixtures TRY	Leasehold Improvements TRY	Total TRY
<b>Acquisition cost</b>				
Opening balance, 1 January 2005	409.540	4.503.713	3.439.583	8.352.836
Additions	59.434	309.943	218.331	587.708
Disposals	(29.855)	-	(1.237)	(31.092)
<b>Closing balance, 31 December 2005</b>	<b>439.119</b>	<b>4.813.656</b>	<b>3.656.677</b>	<b>8.909.452</b>
<b>Accumulated depreciation</b>				
Opening balance, 1 January 2005	157.543	3.458.776	2.407.198	6.023.517
Charge for the period	83.126	375.212	427.468	885.806
Disposals	(19.903)	-	(598)	(20.501)
<b>Closing balance, 31 December 2005</b>	<b>220.766</b>	<b>3.833.988</b>	<b>2.834.068</b>	<b>6.888.822</b>
<b>Net book value as of 31 December 2004</b>	<b>251.997</b>	<b>1.044.937</b>	<b>1.032.385</b>	<b>2.329.319</b>
<b>Net book value as of 31 December 2005</b>	<b>218.353</b>	<b>979.668</b>	<b>822.609</b>	<b>2.020.630</b>

**16. INTANGIBLE ASSETS (NET)**

	Rights TRY	Other TRY	Total TRY
<b>Acquisition cost</b>			
Opening balance, 1 January 2006	153.631	3.271	156.902
Additions	145.138	-	145.138
Disposals	(20.921)	-	(20.921)
<b>Closing balance, 31 December 2006</b>	<b>277.848</b>	<b>3.271</b>	<b>281.119</b>
<b>Accumulated amortization</b>			
Opening balance, 1 January 2006	37.908	3.271	41.179
Charge for the period	14.603	-	14.603
Disposals	(20.921)	-	(20.921)
<b>Closing balance, 31 December 2006</b>	<b>31.590</b>	<b>3.271</b>	<b>34.861</b>
<b>Net book value as of 31 December 2005</b>	<b>115.723</b>	<b>-</b>	<b>115.723</b>
<b>Net book value as of 31 December 2006</b>	<b>246.258</b>	<b>-</b>	<b>246.258</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
(Amounts are expressed in New Turkish Lira [“TRY”] unless otherwise indicated.)

	Rights TRY	Other TRY	Total TRY
<b>Acquisition cost</b>			
Opening balance, 1 January 2005	40.431	3.271	43.702
Additions	113.200	-	113.200
Disposals	-	-	-
<b>Closing balance, 31 December 2005</b>	<b>153.631</b>	<b>3.271</b>	<b>156.902</b>
<b>Accumulated amortization</b>			
Opening balance, 1 January 2005	31.938	3.271	35.209
Charge for the period	5.970	-	5.970
Disposals	-	-	-
<b>Closing balance, 31 December 2005</b>	<b>37.908</b>	<b>3.271</b>	<b>41.179</b>
<b>Net book value as of 31 December 2005</b>	<b>115.723</b>	<b>-</b>	<b>115.723</b>

#### 17. ADVANCES RECEIVED

As of 31 December 2006 and 31 December 2005, there are no advances received.

#### 18. RETIREMENT BENEFITS

As of 31 December 2006 and 31 December 2005, there is no retirement plan.

#### 19. PROVISIONS

	31 December 2006 TRY	31 December 2005 TRY
<b>Short-term:</b>		
Provision for corporate tax (Note 37)	1.234.917	1.776.954
Advanced taxes(-)	(978.689)	(1.313.425)
	<b>256.228</b>	<b>463.529</b>
<b>Long-term:</b>		
Retirement pay provision	635.068	910.062
	<b>635.068</b>	<b>910.062</b>

Under Turkish Law, the Group is required to pay employment termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men).

The provision is made in respect of all eligible employees, at a rate of 30 days gross pay for each year of service. The retirement pay provision has been calculated by using the ceiling which is subject to a maximum of TRY 1.960,69 per month for the year 2006 (2005: TRY 1.727,15).

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

IAS 19 (Employee Benefits) clarifies the journalisation of this provision taking in to consideration the liability for future periods:

- An expected inflation rate and an appropriate discount rate should both be determined, the net of these being the real discount rate. This real discount rate should be used to discount future retirement payments to their present value at the balance sheet date.
- The anticipated rate of forfeitures should be considered.

In the accompanying consolidated financial statements provision is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees.

Consequently, in the accompanying consolidated financial statements provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. As of 31 December 2006, retirement pay provision has been calculated with an annual inflation rate of 5% and discount rate of 11% resulting in approximately 5,71% of reel discount rate. (Retirement pay provision as of 31 December 2005 has been calculated with an annual inflation rate of 6,175% and estimated discount rate with a resulting in approximately 5,49% of a reel discount rate.).

	31 December 2006 TRY	31 December 2005 TRY
Provision as of 1 January	910.062	793.470
Service expense	110.966	113.980
Interest expense	49.928	43.312
Effect of changes in actuarial assumptions	(289.880)	35.354
Retirement pay provision paid	(146.008)	(75.954)
<b>As of period end</b>	<b>635.068</b>	<b>910.062</b>

**20. MINORITY INTEREST**

The minority interest as of 31 December 2006 is amounted to TRY 10.012.484. (31 December 2005: TRY 6.034.888). The minority interest occurred during the period between 1 January-31 December 2006 is amounted to TRY 141.755 (31 December 2005: TRY 1.296.615) and disclosed separately from the net profit for the period in the accompanying consolidated financial statements.



**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

**21. CAPITAL / TREASURY STOCK**

The capital structure of Yatırım Finansman Menkul Değerler A.Ş. is as follows:

Shareholders	31 December 2006		31 December 2005	
	Share %	Amount TRY	Share %	Amount TRY
T. Sınai Kalkınma Bankası A.Ş.	0,8878	10.365.495	0,8892	10.381.395
T. Ticaret Bankası A.Ş.	0,0700	816.952	0,0668	780.000
TSKB Gayrimenkul Değerleme A.Ş.	0,0185	216.050	0,0171	200.000
Şekerbank T.A.Ş.	0,0061	70.343	0,0058	67.161
T.Garanti Bankası A.Ş.	0,0077	89.961	0,0074	85.892
Yapı Kredi Bankası A.Ş.	0,0011	13.367	0,0011	12.763
Arap Türk Bankası A.Ş.	0,0009	10.474	0,0009	10.000
Anadolu Hayat Emeklilik A.Ş.	0,0068	78.850	0,0094	109.947
T. İmar Bankası A.Ş.	0,0000	367	0,0000	349
Other	0,0011	13.141	0,0023	27.493
	<b>100.00</b>	<b>11.675.000</b>	<b>100.00</b>	<b>11.675.000</b>

The capital of the Company comprises 1.167.500.000 share units, TRY 0,01 each. 333.330.000 shares are Group A, 183.329.980 are Group B, 166.660.000 are Group C, 153.330.000 are Group D, 163.350.020 are Group E and 167.500.000 are Group F. The members of the Board of Directors and the statutory auditors are elected among the nominees determined by two from each of A and E Group shareholders and one from each of B, C and D Group shareholders.

As explained in detail in Note 40, the Company merged with TSKB Menkul Değerler A.Ş., on 29 December 2006. 0,055% shares of the Company in TSKB Menkul Değerler A.Ş. for the years 2005 and 2004 (amounting to TRY 9.162 excluding the impact of inflation adjustment) were sold to TSKB Gayrimenkul Değerleme A.Ş. for TRY 17.420 on 10 August 2006. The loss on sale of these shares amounting to TRY 19.279 is recorded as other expenses and losses in the accompanying financial statements.

The shares of Yatırım Finansman Menkul Değerler A.Ş. in subsidiaries which are consolidated in this report have been eliminated in the accompanying consolidated financial statements for the year 2005.

## YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005

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

## 22. CAPITAL RESERVES

As of 31 December 2006 and 31 December 2005, capital reserves are as follows:

	31 December 2006 TRY	31 December 2005 TRY
Premium in excess of par	1.107	962
Gain on cancellation of equity shares	-	-
Revaluation fund	-	-
Valuation fund on financial assets	1.336.301	1.345.252
Shareholders' equity inflation restatement differences	13.474.667	13.429.016
	<b>14.812.075</b>	<b>14.775.230</b>

The Company offset its accumulated losses on the financial statements as of 31 December 2004 against the net income for that period, accumulated profits, extraordinary reserves, legal reserves and shareholders' equity inflation adjustment differences. After offsetting, the remaining components of the equity items are shown in the "Shareholders' Equity Inflation Adjustment Differences". The Company's subsidiary, Yatırım Finansman Yatırım Ortaklığı A.Ş., also realized the same offsetting in the same period. In this offsetting process presented in the Group's financial statements as of 31 December 2005, TRY 260.154 portion of the capital inflation adjustment difference belonging to the Company, which was offset against the subsidiary's equity inflation adjustment difference previously, is offset against the Company's equity inflation adjustment difference. This amount is reversed in the 31 December 2006 and 31 December 2005 financial statements by a reclassification made between the equity inflation adjustment difference and accumulated losses.

## 23. PROFIT RESERVES

As of 31 December 2006 and 31 December 2005, profit reserves are as follows:

	31 December 2006 TRY	31 December 2005 TRY
Legal reserves	617.043	-
Statutory reserves	-	-
Extraordinary reserves	3.855.158	-
Special reserves	101.993	-
Gain on sale of properties and equity participations which will be transferred to capital	-	-
Currency translation reserve	-	-
	<b>4.574.194</b>	<b>-</b>

## 24. RETAINED EARNINGS / (ACCUMULATED LOSSES)

	31 December 2006 TRY	31 December 2005 TRY
<b>Accumulated losses</b>	<b>(200.371)</b>	<b>(242.043)</b>

As mentioned in Note 22, a classification has been made in between 31 December 2005 and 31 December 2006 financials which is related to the equity inflation restatement and retained earnings difference.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)

**25. FOREIGN CURRENCY POSITION**

Foreign currencies and receivables and payables denominated in foreign currencies as of 31 December 2006 and 31 December 2005 are as follows:

31 December 2006	ABD \$	EURO	Total TRY
Cash	1.164.162	293.267	2.179.330
Marketable Securities	88.777	-	124.785
Trade Payables	(881.790)	(289.161)	(1.774.826)
<b>Net foreign currency position</b>			<b>529.289</b>

31 December 2005	ABD \$	EURO	Total TRY
Cash	687.936	79.362	1.049.060
Marketable Securities	162.542	-	218.099
Trade Payables	(677.512)	(79.362)	(1.035.073)
<b>Net foreign currency position</b>			<b>232.086</b>

**26. GOVERNMENT GRANTS AND INCENTIVES**

As of 31 December 2006 and 31 December 2005, there are no government grants or incentives.

**27. COMMITMENTS AND CONTINGENCIES**

a. Commitments that are not recorded in the liabilities as of 31 December 2005 and 31 December 2006 are as follows:

	31 December 2006 TRY	31 December 2005 TRY
Letters of guarantees given to the CMB	901.776	901.776
Letters of guarantees given to the Istanbul Stock Exchange	7.190.130	7.190.130
Letter of guarantees given to the Istanbul Stock Exchange International Bond and Bill Market	-	67.090
Letter of guarantees given to Takasbank Stock Exchange Money Market	20.000.000	15.000.000
Other letters of guarantees	3.620	3.620
Repurchase agreement commitments	7.359.148	4.736.582
	<b>35.454.674</b>	<b>27.899.198</b>

## YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005

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

b. There are no mortgages or pledges on assets as at 31 December 2006. However, the following Government Bonds are blocked as collateral to Central Bank of Turkey to participate the open market operations, Capital Markets Board to operate in stock exchange market, to İMKB Takas ve Saklama Bankası A.Ş. ("Takasbank") for the Company's capital and to Derivatives Exchange (VOB) to operate in derivatives exchange market:

31 December 2006	Carrying Value TRY	Nominal Value TRY	Market Value TRY
İstanbul Menkul Kıymetler Borsası	2.892.130	2.900.000	2.892.130
Central Bank of Turkey	1.186.700	1.500.000	1.186.700
Equity Shares Market	2.238.450	2.377.158	2.238.450
Takas ve Saklama Bankası A.Ş.	331.377	350.000	331.377
Derivatives Exchange (VOB)	247.680	250.000	247.680
Capital Markets Board	473.395	500.000	473.395
	<b>7.369.732</b>	<b>7.877.158</b>	<b>7.369.732</b>

31 December 2005	Carrying Value TRY	Nominal Value TRY	Market Value TRY
Turkish Central Bank	1.935.463	2.200.000	1.935.463
Equity Shares Market	1.262.350	1.392.154	1.262.350
Takas ve Saklama Bankası A.Ş.	529.964	550.000	529.964
Derivatives Exchange (VOB)	280.878	305.000	280.878
	<b>4.008.655</b>	<b>4.447.154</b>	<b>4.008.655</b>

c. As of the balance sheet date, marketable securities kept in custody by the Company on behalf of its customers are as follows:

	31 December 2006 Nominal Value TRY	31 December 2005 Nominal Value TRY
Equity Shares	152.367.079	637.708.746
Private sector bonds	5.000.000	-
Government Bonds	292.889.108	259.723.082
Treasury Bills	30.723.651	93.127.392
Mutual Fund Participation		
Certificates (number)	748.404.308	1.072.744.041
Turkish Derivatives Exchange, derivative financial instruments short/long position (quantity)	6.330	-
Bonds in foreign currencies	17.588.031	13.212.670

d. According to the Company's outside legal counsel, a litigation was filed on 17 June 2004 against the Company for which the plaintiff indicated the value of the case as TRY 5.434. The court case is still pending and the Company has not made any provision in its financial statements in respect of this case.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

**28. MERGERS AND ACQUISITIONS**

Pursuant to the resolution no. 746 adopted by the board of directors of the Company on 14 July 2006, it was decided for the Company to take over TSKB Menkul Değerler A.Ş. with all its rights, receivables, payables and liabilities through terminating its legal identity. It was decided for the takeover to be based on the balance sheets dated 30 June 2006. The Company merged with TSKB Menkul Değerler A.Ş., 91.7946% of the shares of which is owned by Türkiye Sınai Kalkınma Bankası, by dissolution without liquidation, pursuant to the provisions of the Article 451 of the Turkish Commercial Code, and other provisions of the same Code, and provisions of the Articles 19 and 20 of the Corporate Tax Law, through transfer of all rights, receivables, payables and liabilities to the Company free of taxes, which was approved by the resolution of the General Shareholders' Assembly dated December 27, 2006, following its announcement in the Turkish Trade Registry Gazette dated December 19, 2006 and numbered 6707, and the amendment to the articles of association was announced in the Turkish Trade Registry Gazette dated 8 January 2007 and numbered 6718. The merger was realized on 29 January 2006.

**29. SEGMENTAL INFORMATION**

Since the Company operates only in the capital markets and portfolio management activities in Turkey, there is no segmental information.

**30. SUBSEQUENT EVENTS**

None.

**31. DISCONTINUED OPERATIONS**

As of 31 December 2005 and 31 December 2006, there is no discontinued operation.

**32. OPERATING INCOME (NET)**

	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
<b>Sales income (net)</b>		
Sales of equity shares and temporary share certificates	47.119.133	38.771.853
Other sales of private sector bonds and bills	10.854.335	21.815.797
Sales of government bonds and treasury bills	1.963.724.225	1.276.192.259
Other marketable security sales	1.215.809.994	1.130.414.092
	<b>3.237.507.687</b>	<b>2.467.194.001</b>
	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
<b>Cost of sales</b>		
Purchases of equity shares and temporary share certificates	(47.363.629)	(37.206.138)
Other purchases of private sector bonds and bills	(10.828.324)	(21.794.600)
Other purchases of government bonds and treasury bonds	(1.962.968.436)	(1.353.365.453)
Purchases of other marketable securities	(1.215.437.631)	(1.051.978.681)
	<b>(3.236.598.020)</b>	<b>(2.464.344.872)</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
<b>Service income (net)</b>		
Commission income on trading	11.661.539	15.225.541
Management fee on mutual funds	4.119.793	4.892.726
Commission income on public offerings	846.582	95.280
Portfolio management commission income	230.446	78.720
Other commission income	-	6.717
	<b>16.858.360</b>	<b>20.298.984</b>
<b>Commission and service expenses (-)</b>		
Commission reimbursements to customers (-)	(424.353)	(5.110.852)
	<b>16.434.007</b>	<b>15.188.132</b>
<b>Other operating income (net)</b>		
Interest income from customers	3.685.561	2.637.582

**33. OPERATING EXPENSES**

	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
<b>Marketing, selling and distribution expenses (-)</b>		
Advertisement and marketing expenses	(162.433)	(667.179)
Stock exchange share	(398.420)	(308.495)
Banking and insurance transaction taxes	(540.191)	(455.521)
Other	(262.470)	(203.039)
	<b>(1.363.514)</b>	<b>(1.634.234)</b>
<b>General administrative expenses (-)</b>		
Personnel expenses	(7.181.292)	(6.621.899)
Operating expenses	(4.812.762)	(3.803.703)
Depreciation expenses	(773.198)	(891.776)
Personnel fringe benefits	(556.514)	(492.868)
Administrative expenses	(376.200)	(348.300)
Taxes and due payables	(519.088)	(444.301)
Other general administrative expenses	(344.164)	(608.942)
	<b>(14.563.218)</b>	<b>(13.211.789)</b>
<b>Total operating expenses</b>	<b>(15.926.732)</b>	<b>(14.846.023)</b>

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
(Amounts are expressed in New Turkish Lira ["TRY"] unless otherwise indicated.)

**34. OTHER INCOME / EXPENSE AND PROFIT / LOSSES**

	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
<b>Other income and profits</b>		
Interest Income	2.130.669	1.132.044
Rediscounts (net)	-	897.066
Dividend income	696.995	1.338.982
Other income	17.085	54.807
	<b>2.844.749</b>	<b>3.422.899</b>
<b>Other expenses and losses (-)</b>		
Rediscount expenses (net)	(524.044)	-
Losses on sale of subsidiary	(19.279)	-
Other operating expenses and losses	(357.277)	(274.047)
	<b>(900.600)</b>	<b>(274.047)</b>

**35. FINANCE INCOME/ (EXPENSES) (NET)**

	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
Commission expenses of letters of guarantee given	(60.091)	(38.321)
Interest given on Stock Exchange Money Market Operations	(674.395)	(272.412)
Borrowing costs	(18.242)	(12.851)
	<b>(752.728)</b>	<b>(323.584)</b>

**36. NET MONETARY GAIN / (LOSS)**

According to the decision of the CMB dated 17 March 2005 and numbered 11/367, the application of inflation accounting has been ceased in 2005; therefore there is no monetary gain or loss in the accompanying consolidated financial statements.

**37. TAXES**

Corporate Tax:

	1 January- 31 December 2006 TRY	1 January- 31 December 2005 TRY
<b>Tax provision</b>		
Current period tax provision	1.234.917	1.776.954
Deferred tax charge	6.252	66.985
	<b>1.241.169</b>	<b>1.843.939</b>

The Company is subject to Turkish Corporate Taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the period.

## **YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

Corporation 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.

Effective tax rate used in 2006 is 20% (2005: 30%).

In Turkey, advance tax returns are accrued and filed on a quarterly basis. The advance corporate income tax is 20% for the year 2006 (2005: 30%). The excess advance tax amount that is calculated and levied at the rate of 30% during the taxation of the corporate income in the temporary taxation periods after 1 January 2006 over 20% will be deducted from the future advance tax returns.

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 period to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise those assessments within five years.

#### **Income Withholding Tax**

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge 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 was applied as 10% for the 24 April 2003-22 July 2006 period. Commencing on 22 July 2006, this rate is determined as 15% by the Council of Ministers decision No: 2006/10731. However, 10 % still applies until it will be replaced by the related decision of Council of Ministers. Undistributed dividends incorporated in the share capital are not subject to income withholding taxes.

However, 19.8% withholding tax is still applied to investment allowances relating to investment incentive certificates obtained prior to 24 April 2003. Subsequent to this date, 40% of the investments that are directly attributable to production operations of the Company outside the scope of the investment incentive certificate can be deducted. The investments without the investment incentive certificates do not qualify for tax allowance.

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

The tax rate applied for the companies deducting their tax investment incentive amount against the corporate tax account in 2006, 2007 and 2008 is 30%. If companies cannot use the investment incentive carried forward, the effective tax rate will be 20% and right to benefit from the unused investment incentive will be forfeited.

Since the Group does not benefit from the investment incentive, the tax rate is 20%.



**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**  
**(Amounts are expressed in New Turkish Lira [“TRY”] unless otherwise indicated.)**

**Inflation Adjusted Tax Calculation:**

For 2003 and previous years, taxable profits were calculated without any inflation adjustment to the statutory records, except that fixed assets and the related depreciation were revalued annually. Law No: 5024 published in the Official Gazette No: 25332 on 30 December 2003 requires the application of inflation accounting in Turkey in 2004 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”. As inflation met certain thresholds as of 31 December 2004, the Group has adjusted its statutory financial statements as of 31 December 2004 in accordance with Law No. 5024 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 as at 31 December 2005, no further inflation adjustment made to the Group’s statutory financial statements in 2005 and in the current year.

**38. EARNINGS PER SHARE**

According to the Communiqué No: XI/25, Part 16 Article 412, for companies of which equity shares are not traded on the stock exchange, are not required to disclose earnings per share. The Company did not calculate earning/loss per share in the accompanying consolidated financial statements, since the Company’s shares are not traded on the stock exchange.

**39. STATEMENT OF CASH FLOWS**

Statement of cash flows is presented on page 5.

**40. OTHER ISSUES REQUIRED TO BE EXPLAINED THAT AFFECT CONSOLIDATED FINANCIAL STATEMENTS SIGNIFICANTLY OR IN ORDER TO MAKE CONSOLIDATED FINANCIAL STATEMENTS TO BE CLEAR, UNDERSTANDABLE, AND INTERPRETABLE**

The Company merged with TSKB Menkul Değerler A.Ş., 91.7946% of the shares of which are owned by Türkiye Sınai Kalkınma Bankası by dissolution without liquidation pursuant to the provisions of the Article 451 of the Turkish Commercial Code and other provisions of the same Code and provisions of the Articles 19 and 20 of the Corporate Tax Law, through transfer of all rights, receivables, payables and liabilities to the Company free of taxes and the this transaction was approved by the resolution by the General Shareholders’ Assembly on 27 December 2006, following its announcement in the Turkish Trade Registry Gazette dated 19 December 2006 and numbered 6707, and the amendment to the articles of association was announced in the Turkish Trade Registry Gazette dated 8 January 2007 and numbered 6718. The merger was realized as of 29 January 2006.

Since the operations of the Company and TSKB Menkul Değerler A.Ş. had been under the control of Türkiye Sınai Kalkınma Bankası A.Ş., the merger has been accounted for by using the uniting of interest method of accounting in the accompanying financial statements. This application is based on the belief of the Company’s management that this is the best way to present the economical basis of this transaction. IFRS 3 “Business Combinations” do not apply on mergers of the enterprises or businesses under common control. Thus, this transaction has been considered within the framework of the criteria under IAS 8 “Accounting Policies, Changes in Accounting Estimates, and Errors”. In paragraph 10 of IAS 8, it is stated that “In the absence of a Standard or an Interpretation that specifically applies to a transaction, other event or condition, management must use its judgement in developing and applying an accounting policy that results in information that is relevant and reliable as follows”:

- a) It shall be suitable for the requirements of the users of the financial statements to make economical decisions,
- b) It shall ensure reliability of the financial statements.

**YATIRIM FİNANSMAN MENKUL DEĞERLER A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005**

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

In paragraph 12 of IAS 8, it is stated that "The Management may also consider the most recent other accounting literature to the extent that these do not conflict with the IFRS, based on paragraph 10". Accordingly, the accompanying financial statements of the Company are retrospectively restated to reflect the effect of this structural change for the comparative years as if this transaction had been conducted at the beginning of the earliest period presented (the beginning of 2005). Therefore, the financial statements for the year ending 31 December 2005 are different from the financial statements previously reported due to the impact of the merger with TSKB Menkul Değerler A.Ş. Such restatement differences are summarized below:

<b>Balance Sheet as of 31 December 2005</b>	<b>Previously Reported</b>	<b>Restated</b>
Current assets	80.263.692	88.663.464
Non-current assets	7.128.158	7.172.153
Short-term liabilities	53.636.907	57.178.105
Long-term liabilities	838.863	910.065
Equity	26.881.192	31.712.559
Net profit for the period ended as of 31 December 2005	4.443.537	5.513.534

# Directory

## Head Office

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E-3 Blok Kat: 4 Etiler/İSTANBUL  
Tel: (0212) 317 69 00  
Fax: (0212) 282 15 50-51

## Merkez Şube

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Tel: (0 212) 263 00 24  
Fax: (0 212) 263 89 24

## Çiftelhavuzlar/ İSTANBUL

Bağdat Cad. Rifat Bey Sok. No: 2 D: 2  
Tel: (0216) 302 88 00  
Fax: (0216) 302 49 24

## Bakırköy/ İSTANBUL

Fişekhane Cad. No: 34/5  
Tel: (0212) 543 05 04  
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## Kozyatağı/ İSTANBUL

Atatürk Cad. Onur İş Merkezi No: 3  
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## AGENCY (Arap Türk Bankası A.Ş.)

Vali Konağı Cad. No: 10  
Nişantaşı 80200 İSTANBUL  
Tel: (0212) 225 05 00  
Fax: (0212) 225 05 26

## AGENCY

### (Türkiye Sınai Kalkınma Bankası A.Ş.)

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Tel: (0212) 334 51 30  
Fax: (0212) 243 29 75

## Kızılay/ ANKARA

Gazi Mustafa Kemal Blv. No: 8 Kat: 5/6  
Tel: (0312) 417 30 46  
Fax: (0312) 417 30 52

## İZMİR

Cumhuriyet Bulv. No: 99 Kat: 3 Kordon  
Tel: (0232) 441 80 72  
Fax: (0232) 441 80 94

## BURSA

Atatürk Cad. İskender İş Merkezi  
No: 43 Kat: 5 Heykel  
Tel: (0224) 224 47 47  
Fax: (0224) 225 61 25

## ADANA

Cevat Yurdakul Cad.  
Sular Plaza No: 65 Kat: 2  
Tel: (0322) 458 77 55  
Fax: (0322) 458 84 83

## ANTALYA

Cumhuriyet Cad. Denizhan  
No: 38 Kat: 1  
Tel: (0242) 243 02 01  
Fax: (0242) 243 32 20

## SAMSUN

Kale Mah. Bankalar Cad.  
Anakent İş Merkezi No: 25/B  
Tel: (0362) 431 46 71-432 11 68  
Fax: (0362) 431 46 70

## Branches/Representative Offices Management

### Dilek AKDEMİR

Taksim Branch

### Elvan BAYCIL

Çiftelhavuzlar Branch

### Avni AKKAYA

Kozyatağı Branch

### Yeşim İPEK

Kızılay Branch

### A. Nihat ÖZEL

İzmir Branch

### Meral MORAL

Samsun Branch

### Gülay ÜNLÜ ÇORUK

Bakırköy Rep. Offices

### Aylin PIŞKINSOY

Bursa Rep. Offices

### Tansel ŞAŞMAZOĞLU

Adana Rep. Offices

### Yaşar ŞÜŞEK

Antalya Rep. Offices

Two of the main shareholders,  
Türkiye Sınai Kalkınma Bankası and  
Arap Türk Bankası are also agencies  
of the Company.

