GLOBAL
INVESTMENT HOLDINGS

ANNUAL REPORT 2009

INDEX

DISCLAIMER

The projects and activities described in this Annual Report are undertaken through a number of different companies ("Affiliates") affiliated with Global Yatırım Holding A.Ş. (the "Global Holdings Group" or the "Company"), also referred to herein, together with such Affiliates, as the "Group."

Unless otherwise specified, the information in this Annual Report is given as at 31 December 2009. The terms "current" and "currently," respectively, denote the status of the related information as at the time this Annual Report goes to print.

The currency of the Republic of Turkey ("Turkey") is Turkish Lira ("TL"), which was introduced as at 1 January 2009 upon the conversion of the New Turkish Lira ("YTL") on a one-to-one basis.

Solely for convenience, certain Turkish Lira amounts herein have been converted into U.S. Dollars ("US$") based on the official US$/TL exchange rate announced by the Central Bank of Turkey as at such relevant date or the average official US$/TL exchange rate for the respective period, except where otherwise specified. No representation is being made that any such TL amount was, or could have been, converted into U.S. Dollars at such rate or otherwise.

This Annual Report contains certain forward-looking statements, which typically include words such as "intend," "expect," "anticipate," "plan," "project," "target," and "scheduled". Such statements are based on the expectations of Company management as this Annual Report goes to print, and such statements are inherently subject to operating risks, including factors beyond our control, such as general economic and political conditions; the volatility of market prices, rates and indices; legislative and regulatory developments; and to our own ability to attract and retain skilled personnel; to source, structure and procure financing for projects; to implement optimal technology and information systems; and otherwise to operate successfully in a competitive marketplace. Consequently, our results may vary significantly from time to time and we may not be able to achieve our strategic objectives.

Global Investment Holdings is incorporated in İstanbul, Turkey. The registered headquarters of the Company are Rıhtım Caddesi No:51, Karaköy 34425, İstanbul, Turkey.

Global Investment Holdings is subject to regulation by the Turkish Capital Markets Board ("CMB") and the İstanbul Stock Exchange ("ISE"). Other Group companies are subject to the regulations of the capital markets or other regulatory authorities having jurisdiction over them.

GLOBAL
INVESTMENT HOLDINGS

EXCHANGE RATES

Exchange rates for the Turkish Lira have historically been and continue to be highly volatile. Although until February 2001 it was a stated policy of the Turkish Central Bank to devalue the Turkish Lira in line with the domestic inflation rate, the Turkish Central Bank nevertheless adopted a floating exchange rate policy which resulted at times in some increased volatility in the value of the Turkish Lira.

The following table sets forth the high, low, period average and period end exchange rates for U.S. dollars announced by the Turkish Central Bank, expressed as the number of New Turkish Lira per U.S. dollar, for the periods indicated:

PERIOD END	HIGH	LOW	AVERAGE (1)	PERIOD END (2)
31 December 2001	1.64	0.66	1.23	1.44
31 December 2002	1.67	1.29	1.51	1.63
31 December 2003	1.75	1.35	1.49	1.40
31 December 2004	1.55	1.30	1.42	1.34
31 December 2005	1.40	1.25	1.34	1.34
31 December 2006	1.69	1.30	1.43	1.41
30 June 2007	1.38	1.30	1.33	1.30
31 December 2007	1.45	1.16	1.30	1.17
30 June 2008	1.32	1.14	1.23	1.22
31 December 2008	1.70	1.15	1.36	1.51
30 June 2009	1.80	1.51	1.61	1.53
31 December 2009	1.55	1.44	1.49	1.51

Source: Turkish Central Bank

Notes:
(1) Represents the average of the daily Turkish Central Bank exchange rates for the relevant period. Averages were computed by using the Turkish Central Bank's U.S. dollar bid rates on each business day during the relevant period.

(2) Represents the Turkish Central Bank's U.S. dollar bid rate on the last business day for the relevant period.

Pursuant to the Law on the Currency Unit of the Republic of Turkey (No. 5083), with effect from 1 January 2005, the currency of Turkey was redenominated, with one million Turkish Lira being converted into a new unit of currency known as the ''New Turkish Lira'' or ''YTL''. The smallest unit of currency is the ''New Kuruş'' which represents one-hundredth of a New Turkish Lira.

The Turkish Lira ceased to be a unit of currency as of 1 January 2005, and ceased to be in circulation as of 1 January 2006.

Weights and Measures

References herein to a "ton" or "tons" refer to the United States of America ("U.S.A.") unit of weight equivalent to 2,000 pounds.

References to a "tonne," or "tonnes," in contrast, would refer to the unit of weight generally used worldwide, except in the U.S.A., and equivalent to 1,000 kilograms.

Other conversion factors for the important measures employed in this report are as follows:

1 square mile	2.6 square kilometers
1 square foot	0.09 square meters
1 acre	0.4 hectares
1 mile	1.6 kilometers
1 foot	0.3 meters

CHAIRMAN'S MESSAGE

In the 2009 operating year, the global fiscal, banking and liquidity crises struck Turkey with the same ferocity with which such crises destroyed value in financial markets and assets worldwide.

As a result, in 2009, Turkey experienced decreases in corporate earnings due to lower commercial trading volumes; diminished corporate lending activity; distressed stock prices; and increased corporate funding costs. We attribute these aspects of the global financial crisis primarily to the implosion of Wall Street following the failures of the United States' sub-prime mortgage and synthetic, mortgage-based financial instruments ("CDOs") markets. The impact of the U.S. financial market failures was amplified by the fact that many western European and other foreign banks had exposure to the financial instruments which had emerged during the U.S. subprime crisis.

Unlike many of its American and western European counterparts, however, Turkey had undertaken, in 2001, an extensive overhaul of its banking system in response to this country's bank crises of that era.

As a result, after three quarters of results in 2009 which were lower than those seen in 2008, Turkey appears to have leveled off and begun to recover.

The same is true of Global Investment Holdings.

Our activities in 2009

We entered the year having recorded our worst-ever annual loss on the back of weakness in the Turkish Lira. Fortunately, this was a paper loss, which gradually reversed over the course of the year. However, in order to improve our balance sheet and show our investors and lenders that–even in the middle of a crisis – our assets were considerably greater than our balance sheet, we disposed of assets then accounting for 14% the total value of our balance sheet for a realized gain of TL110.0mn, 53% of our end-2008 equity. As a result of this restructuring, the Company has significantly strengthened its balance sheet.

The Company has also closed down unviable business divisions and moved ahead with a wide-ranging reorganization which contained costs.

As a result, we sharply reduced our debt.

At the end of 2008, our net debt stood at TL266mn. By the end of 2009, this had been slashed to TL77mn. In 2009, a year when debt markets effectively ceased functioning, the Company realized significant cash inflow through asset sales and improvement of operational efficiencies. The cash generated from assets sales was used mainly to repay short term financial debt and thereby strengthen the short term liquidity position of the Group.

While borrowing conditions are improving, we have decided to use this to reduce our debt service costs rather than increase long term borrowing. Short term borrowing may increase, subject to our ability to lend the money through in our finance division.

Turkey in 2010

It is our belief that Turkey is currently in an accelerated recovery. Industrial production, imports, and tax receipts point to a jump in activity over 2009. We are forecasting growth of above 6% in GDP this year.

However, it is our considered view that world economic activity will not normalize for some years yet. For instance, the debt burden of the developed world has increased dramatically. The apparently permanent AAA rating awarded to major international centers of finance is in question. Recently, we have watched as Greece tottered towards sovereign default, only to be saved a massive bail-out package for the European Union (the "EU") structured by the European Central Bank (the "ECB") and the International Monetary Fund (the "IMF"). The emergency funding facility agreed between the EU and the IMF is estimated to be worth as much as US$930 billion in loan guarantees and credit extended to stabilize the Euro zone.

Turkish sovereign borrowing in Euros is now cheaper than that demanded by the markets for lending to Greece. While this shows the resilience of the Turkish economy and is the natural result of the transformation of the Turkish economy over the past decade, it is not something to be happy about.

If there is a malaise in international financial centers and if the already slow-growth Euro zone will be under pressure for some years to come, Turkey's prospects are likely to be more circumscribed. In the 1980s and 1990s it was said that Turkey had huge potential, if only she reformed. Well, Turkey has now largely reformed, but cannot grow at full potential due to the weakness of her major funding centers, strategic partners, and continued weakness in some worldwide trading sectors. However, we are fortunate in that the Turkish economy, with its young demographic and significant population, can count upon domestic demand as a main driver of our country's growth. The strength of the banking system and the relative health of Government finances should at least allow domestic consumer and investment spending to rise.

Global Investment Holdings in 2010

Global Investment Holdings' mission in 2010 is no different to its mission in previous years: We aim to be profitable, and we aim to continue growing rapidly in our key business segments.

I would like to remind our investors that Global Investment Holdings is a hybrid – a cross between a private equity (or to some, a "merchant banking") firm – and a conglomerate.

We do not necessarily wish to divest ourselves of any of our current holdings, but will certainly do so if we can find a good price. At the same time, we will always be on the lookout for new opportunities, whether in our existing fields of business or others.

A private equity firm does not expect to make money in all of its ventures.

Similarly, while we are careful in where we divert our management and financial resources (even more so after the salutary effects of 2008-2009), we recognize that what may seem to be a good idea today may look rather different in a few years' time. At the same time, very short term returns on some parts of our portfolio have exceeded 100%. Likewise, we do not like to limit our interests to a rigid formula.

Not only are we concerned about turning into an old-fashioned Turkish holding, but we are aware that by doing so, we could cut ourselves off from new opportunities.

In the words of the vastly successful, inspirational sage from Omaha: "You do things when the opportunities come along. I've had periods in my life when I've had a bundle of ideas come along, and I've had long dry spells. If I get an idea next week, I'll do something. If not, I won't do a damn thing."

There is no fault in emulating the best.

Insofar as we can see the future, it appears that our commitment to cruise and commercial ports will continue. While the İzmir Port privatization venture ended due to a combination of administrative legal entanglements; the global credit crisis; the related concerns of our strategic and banking partners; and the fact that the transaction was operationally too complex, and (at US$1.275 billion) economically, too large for us to undertake alone, we intend to expand our Port Infrastructure Division over the foreseeable future. Ports have provided and should continue to contribute a stable, rising EBITDA to our operations. Ege Ports - Kuşadası has shown strong growth in both passenger and ship arrivals since its privatization in 2003. Indeed, we are pleased to have bought out, subject to regulatory approvals, our co-shareholders in the mixed commercial and cruise operations of Port Akdeniz - Antalya.

In energy, we continue to analyze closely the prospects for coal-fired thermal plants supplied in part by our own mines. Our co-operation with China National Machinery & Equipment Import & Export Corporation (the "CMEC") is expected to result in the start of construction of a 270 MW plant in 2010, ready for operations in 2013.

Also in the energy segment, with respect to our gas distribution investee company, Energaz Gaz Elektrik Su Dağıtım A.Ş. ("Energaz"), we have decided, in coordination with our joint venture partner, STFA Holding Co. (a well known Turkish conglomerate operating in sectors including construction and oil and gas) to restructure the shareholding of Engergaz by buying out local minority investors in order to grow the business to its full potential.

In its first five years of operation, Energaz grew to be the largest private sector gas distribution company in Turkey, with 400,000 subscribers and gas sales of close to one billion cubic meters. As new licenses are obtained, Energaz is expanding into the gas import and wholesale of gas businesses, where the margins can be more lucrative than in distribution alone.

Moreover, Turkey's national natural gas tariff, which was fixed for the first eight years of operation for each region, is being reviewed by the Turkish Energy Market Regulatory Authority ("EMRA"), and it is our belief that commencing in 2011, our gas retail margins will be pari passu with our European counterparties, and that Energaz through the combination of both trading and retailing, will be a substantial player in the market.

Next, Turkey's retailing and real estate sectors are expected to recover in the second half of 2010. This recovery will neatly coincide with the final phases of the Denizli mixed-use shopping mall, residential, hotel and hospital project.

Of the remaining companies, the largest continues to be Global Securities, our brokerage subsidiary. Having concluded 2009 with a profit, we are very pleased with its performance. We are also cognizant of the positive externalities that it provides. However, we continue to believe that that company would flourish as part of a larger investment banking group, to its benefit and ours. We feel no pressure to sell; we feel no pressure to keep it indefinitely.

Other ventures will be evaluated as the dynamic and rapidly evolving nation of Turkey continues to offer investment opportunities in all emerging sectors of the economy..

Yours sincerely,

Mehmet Kutman
Chairman and Chief Executive Officer
Global Yatirim Holding A.S.

In Summary

The Global Investment Holdings group (the "Global Holdings Group," the "Group" or the "Company") owns a diversified portfolio of investments in a number of business segments in Turkey, including cruise ship and commercial ports, energy distribution, real estate development, and non-banking financial services.

The Global Holdings Group is listed on the İstanbul Stock Exchange under the ticker symbol "GLYHO.IS."

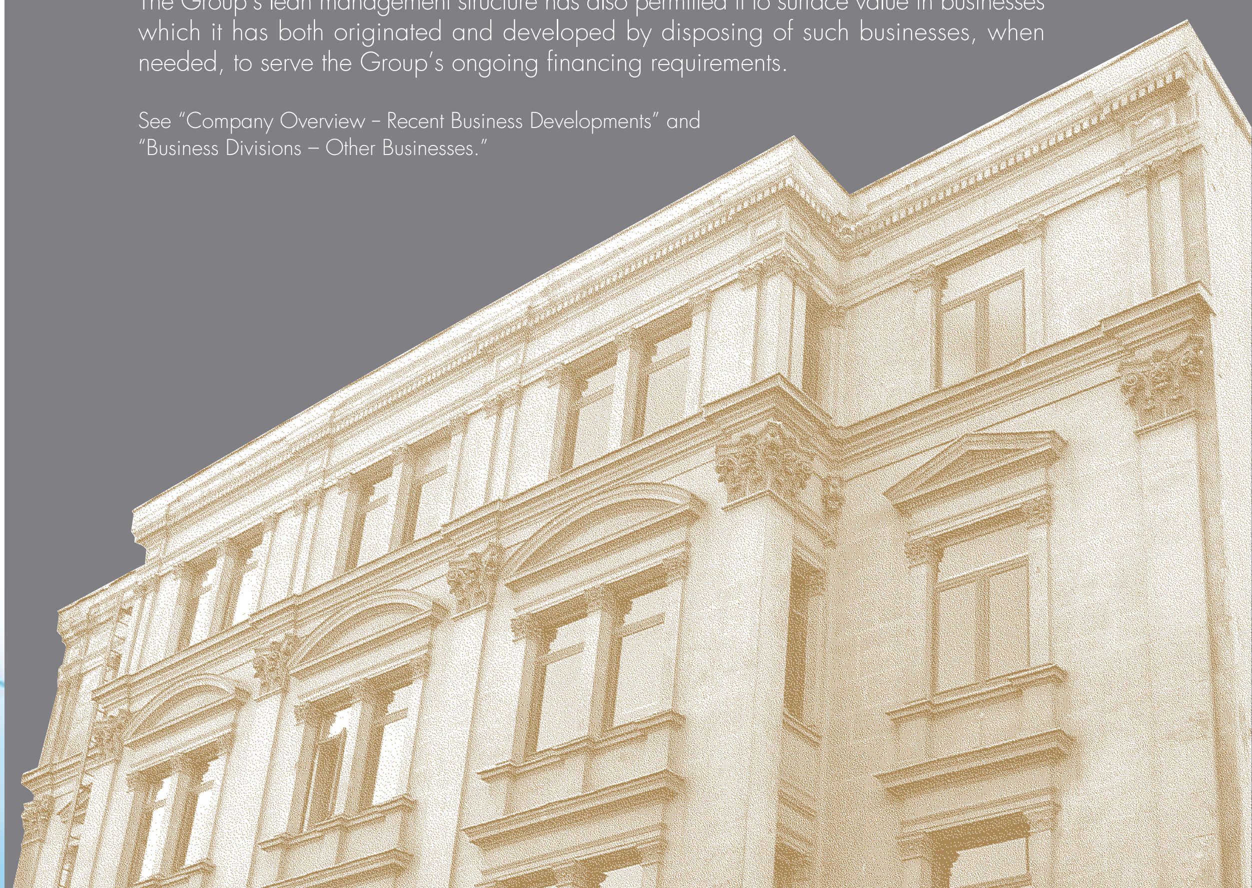
The Company focuses on enhancing shareholder value and returns by investing in those sectors identified by Company management as having high growth potential, a likelihood for a high rate of return; which are characterized by geographic, technical, "first mover" or other barriers to competition; and those sectors which enhance the Group's diversification to risk.

The diversification within the Company's business portfolio reduces the overall risk exposure of the Group, and decreases the likelihood of over-reliance on particular business segments or on particular sectors of the Turkish and world economies.

Although the Company, in moving toward a diversified holding business model, namely by entering into new business segments assessed as having potential synergies with the Group's existing businesses, Group management also reserves to itself the flexibility in periods of chaotic world markets and regional fiscal tumult, to evaluate opportunities in new businesses with high expected returns, but which may appear to have short term relevance to current Group businesses.

The Group's lean management structure has also permitted it to surface value in businesses which it has both originated and developed by disposing of such businesses, when needed, to serve the Group's ongoing financing requirements.

See "Company Overview – Recent Business Developments" and
"Business Divisions – Other Businesses."



At present, the Global Holdings Group comprises four principal business divisions:

• The Port Infrastructure Division, principally cruise ship sea port and commercial sea port operations in the Republic of Turkey ("Turkey");

• The Energy Division, including natural gas distribution concessions and investments, principally in thermal power generation projects (see "Company Overview – Recent Business Developments");

• The Real Estate Division, including mixed-use commercial, residential and holiday resort development planned and existing developments; and

• The Finance Division, which comprises non-banking financial services, including brokerage, research, and asset management. Parallel with the Company's aggressive business development and investments, in particular, with respect to the port infrastructure and energy sector divisions of the Group's business, these divisions are evolving into stand-alone operations with local, experienced management teams carrying on day-to-day operations.

From the standpoint of operations and business growth, the Company's Divisions operate, largely, on an independent basis and maintain flexibility to develop their respective areas of operation, subject to the general management, risk control measures, and overarching corporate and financing strategies formulated by senior management at the Global Holdings Group.

During recent years, the Holding has, with greater frequency, identified attractive port infrastructure and energy opportunities as the Turkish economy has undergone a surge of growth, privatization and macro-economic and finance sector structural changes.

The Global Holdings Group has continued to pioneer investments, and to expand its existing portfolio of businesses, with a particular focus on such sectors.

The Company's existing and potential operations in various sectors are highlighted in this 2009 Annual Report.

Going forward, the Company intends to increase efficiency in its existing businesses and operations. The Group plans further to pursue investments in cruise and commercial seaports, and to become a major seaport operator in the Mediterranean and Marmara Seas and, possibly, in regional waters.

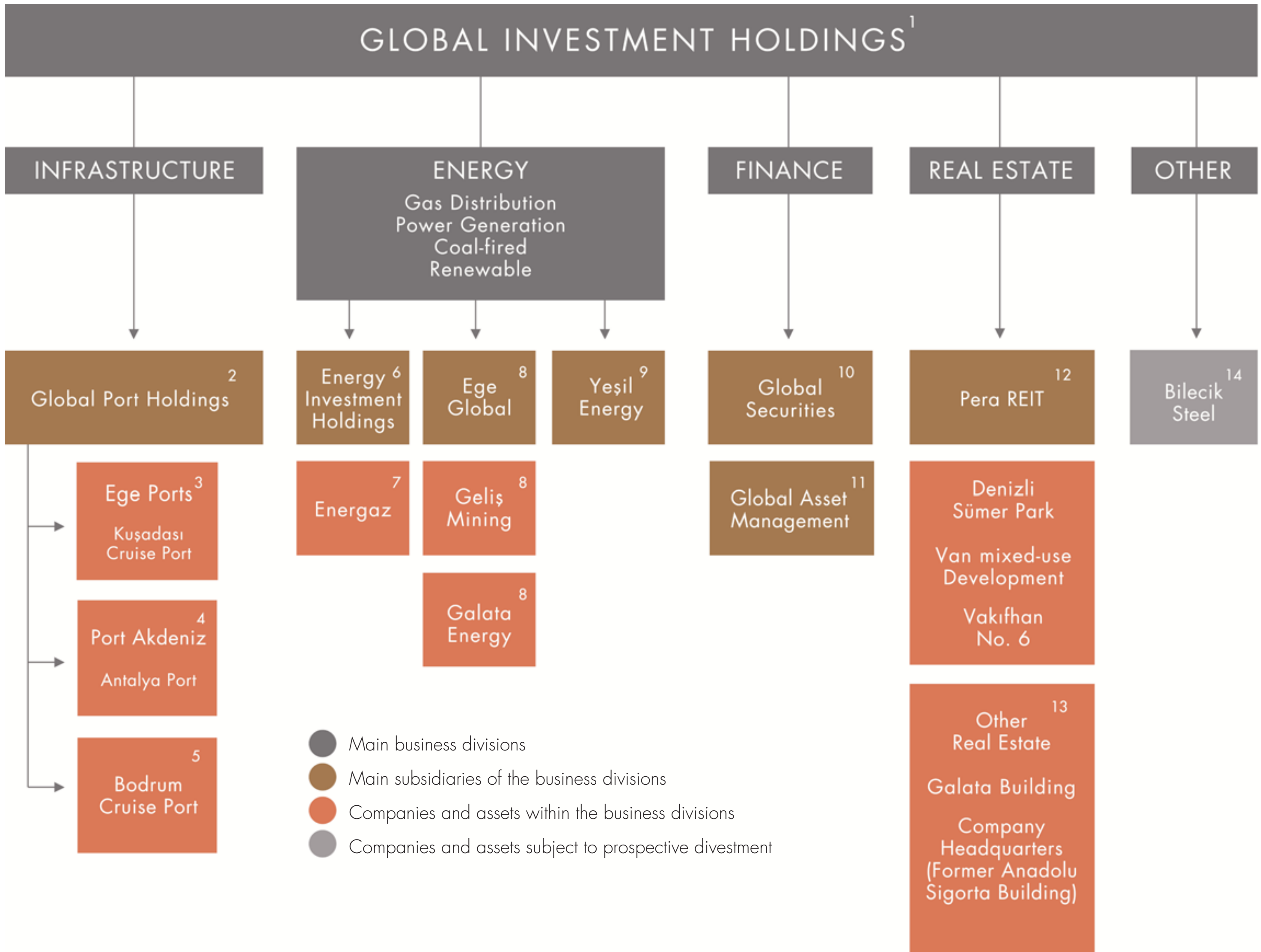
The Company also continues to evaluate the enlargement of its power generation business and, to this end, is appraising the further development of its high-yield coal-fired power plant located in Şırnak, southeastern Turkey.

As the Global Holdings Group has developed substantial holdings in the Turkish port infrastructure and energy sectors, the Company intends to create further value by re-assessing and, if necessary, rebalancing, its present business portfolio. Accordingly, the Company may, from time to time, evaluate the potential divestiture of, or the formation of strategic partnerships in connection with, certain of its existing business lines with a view to future financing required for the expansion of its ports and coal-fired power generation businesses.

See "Recent Business Developments"

Further to the foregoing discussion, the Global Holdings Group's evaluation of the current environment of challenging changing credit markets proved to be an important factor in the decision by the Company, in 2009, to enter into an agreement to sell a 95% stake in the Group subsidiary holding its hydroelectric power generation projects. The sale, to a leading European renewable energy operator was successfully completed in June 2009 for consideration of US$137 million, representing an internal rate of return ("IRR") on such investment of 110%.

OVERVIEW OF BUSINESS AND OPERATIONS



The business divisions of the Global Holdings Group, including the principal companies operating in each such division, are set forth in the following diagram. The information presented below is given as at 31 March 2009 except as otherwise noted:

Notes:

1. For a list of consolidated entities as at 31 December 2009, see Note 1 to the Consolidated Financial Statements.
2. Global Liman İşletmeleri A.Ş. ("Global Port Holdings") is currently owned as to 99.9% owned by the Global Holdings Group.
   See "Business Divisions – Port Infrastructure Division – Global Port Holdings".
3. Ege Liman İşletmeleri A.Ş. ("Ege Ports") is owned as to 72.5% by Global Port Holdings.
   See "Business Divisions – Port Infrastructure Division – Global Port Holdings - Ege Ports".
4. Ortadoğu Antalya Liman İşletmeleri A.Ş. ("Port Akdeniz") is owned as to 40.0% by Global Port Holdings.
   See "Business Divisions – Port Infrastructure Division – Global Port Holdings - Port Akdeniz".
5. Bodrum Yolcu Limanı İşletmeleri A.Ş. ("Bodrum Cruise Port") is owned as to 60.0% by Global Port Holdings.
   See "Business Divisions – Port Infrastructure Division – Global Port Holdings – Bodrum Cruise Port".
6. Enerji Yatırım Holding A.Ş. ("Energy Investment Holdings" or "EIH") is owned as to 50.0% by the Global Holdings Group.
   See "Business Divisions – Energy Division – Natural Gas Distribution - Energaz".
7. Energaz Gaz Elektrik Su Dağıtım A.Ş. ("Energaz") is owned as to 53.0% by Energy Investment Holdings.
   See "Business Divisions – Energy Division – Natural Gas Distribution - Energaz".
8. Galata Enerji Üretim San. ve Tic. A.Ş. ("Galata Enerji") and Geliş Madencilik Enerji İnşaat Ticaret A.Ş. ("Geliş Madencilik") are owned as to 60.0% by Ege Global Madencilik San. ve Tic. A.Ş. ("Ege Global"), which in turn, is owned as to 85.0% by the Global Holdings Group.
   See "Business Divisions – Energy Division – Power Generation - Ege Global".
9. Prior to 23 June 2009, Yeşil Enerji Üretim San. ve Tic. A.Ş. ("Yeşil Enerji") was owned as to 99.9% by the Global Holdings Group. An agreement to sell 95.0% of Yeşil Enerji was executed with Statkraft A.S. ("Statkraft") on 18 March 2009, and the conclusion of the purchase and sale by Statkraft of 95% of Yeşil Enerji was realized on 23 June 2009.
   See "Business Divisions-Energy Division-Power Generation -Yeşil Enerji" and "Recent Business Developments."
10. Global Menkul Değerler A.Ş. ("Global Securities") is owned as to 99.9% by the Global Holdings Group.
   See "Business Divisions – Finance Division – Global Securities".
11. Global Portföy Yönetimi A.Ş. ("Global Asset Management") is owned as to 99.9% by the Global Holdings Group.
   See "Business Divisions – Finance Division – Global Asset Management".
12. Pera Gayrimenkul Yatırım Ortaklığı A.Ş. ("Pera REIT") is a publicly quoted real estate investment trust traded on the ISE and as at 31 March 2010, was 26.14% owned by the Global Holdings Group.
   See "Business Divisions – Real Estate Division – Pera REIT and Joint Real Estate Projects".
13. The Galata Building (also known as "Veli Alemdar Han") and the Global Holdings Group's headquarter building (formerly the Anadolu Sigorta headquarters building) are owned as to 100.0% by the Global Holdings Group.
   See "Business Divisions – Real Estate Division – Other Real Estate Projects".
14. Bilecik Demir Celik Sanayi ve Ticaret A.Ş. ("Bilecik Steel") is owned as to 40.0% by the Global Holdings Group.
   See "Business Divisions – Other Group Businesses – Bilecik Steel".

THE GLOBAL HOLDINGS GROUP CONSOLIDATED FINANCIAL HIGHLIGHTS

Financial highlights for the Group's projects and businesses, classified into divisions under the categories Port Infrastructure[1], Energy[2], Holding and Finance[3], and Other[4] for the year ended 31 December 2009, are set forth below in summary consolidated form:

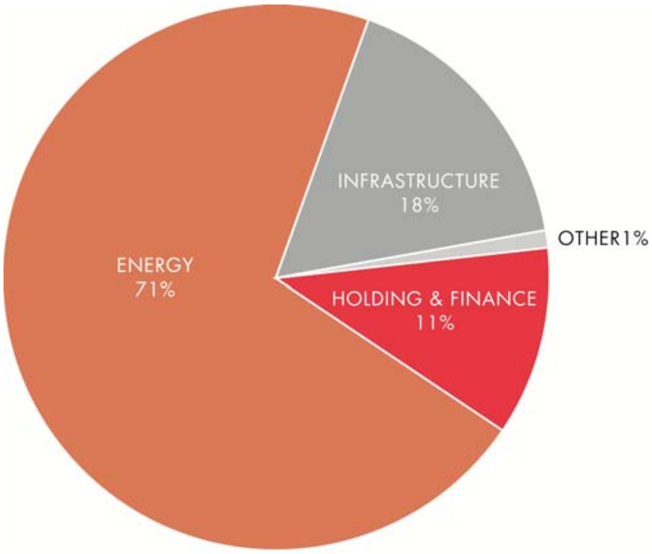
	TL (millions)	US$ (millions)
Turnover		
Port Infrastructure	41.8	27.4
Energy **	139.1	91.2
Holding and Finance	29.3	19.2
Other	26.4	17.3
EBITDA*		
Port Infrastructure	25.6	16.8
Energy **	1.5	1.0
Holding and Finance	112.8	73.9
Other	2.4	1.6
Net Profit		
Port Infrastructure	(1.0)	(0.7)
Energy **	(9.8)	(6.4)
Holding and Finance	91.8	60.2
Other	(1.0)	(0.7)

* Normalized EBITDA, adjusted for non-recurring items

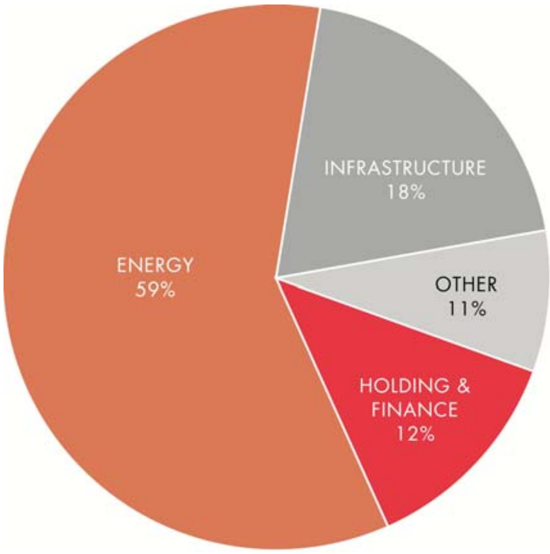
** Figures attributable to gas distribution operations have been presented under "discontinued operations" in the consolidated figures.

The following charts set forth, in graphic format, the breakdown of the gross turnover of the Global Holdings Group for the fiscal years ended 31 December 2008 and 2009, respectively.

GROSS TURNOVER
2008



GROSS TURNOVER
2009



1. Comprises Global Liman İşletmeleri A.Ş., Ege Liman İşletmeleri A.Ş., Ortadoğu Liman İşletmeleri A.Ş., İzmir Liman İşletmeciliği A.Ş. and Global Depoculuk A.Ş.
2. Comprises Enerji Yatırım Holding A.Ş., Energaz A.Ş., Kentgaz Denizli Doğalgaz Dağıtım A.Ş., Netgaz Şehir Doğalgaz Dağıtım A.Ş., Çorum Doğalgaz Dağıtım San ve Tic A.Ş., Gaznet Şehir Doğalgaz Dağıtım A.Ş., Kapadokya Doğalgaz Dağıtım A.Ş., Erzingaz Doğalgaz Dağıtım A.Ş., Olimpos Doğalgaz Dağıtım A.Ş., Karaman Doğalgaz Dağıtım A.Ş., Aksaray Doğalgaz Dağıtım A.Ş., Yeşil Enerji Üretim San. ve Tic. A.Ş., Gümüşsan Ges Enerji A.Ş., Çakıt Enerji A.Ş., Anadolu Elektrik Üretim A.Ş., Akel Galata Enerji Üretim ve Ticaret A.Ş., Sancak Global Enerji Yatırımları A.Ş., Osmanlı A.Ş., Aksu Global Enerji Hizmetleri ve İşletmeciliği A.Ş., Çetin Enerji A.Ş. and Özarsu İnşaat Elektrik Turizm San A.Ş.
3. Comprises Global Yatırım Holding A.Ş., Global Menkul Değerler A.Ş., Global Portföy Yönetimi A.Ş., Hedef Menkul Değerler A.Ş., Global Sigorta Aracılık Hizmetleri A.Ş., Global Financial Products Ltd. and Global Valori Mobiliare S.A.
4. Comprises Nesa Madencilik San. ve Tic. A.Ş., Ege Global Madencilik A.Ş., Güney Maden İşletmeleri A.Ş., Kuzey Maden İşletmeleri A.Ş., Doğu Maden İşletmeleri A.Ş., Pera Gayrimenkul Yatırım Ortaklığı A.Ş., GY Elyaf ve İplik San. Dış Tic. A.Ş., Boğaziçi Holding A.Ş., Kuşadası Turizm Yatırımcılığı A.Ş., Vespa Enterprises (Malta) Ltd., Maya Turizm Ltd., Mavi Bayrak Tehlikeli Atık ve İmha Sistemleri San. Tic. A.Ş., Bilecik Demir Çelik San. Ve Tic. A.Ş., Tora Yayıncılık A.Ş. and Sem Yayıncılık A.Ş.

PORT INFRASTRUCTURE DIVISION

The port infrastructure division (the "Port Infrastructure Division") of the Group comprises the cruise and commercial seaport operations of Global Port Holdings, the Group's wholly-owned subsidiary. Set forth below is a narrative of such operations, as well as planned initiatives for Global Port Holdings; pending transactions; and other material considerations.

See also "Recent Business Developments."

Ege Ports (Kuşadası) (2003) – Ege Liman İşletletmeleri A.Ş. was awarded a thirty-year transfer of operating rights concession for Kuşadası cruise port, in the city of Kuşadası on Turkey's Aegean coast, in July 2003. Since the take-over of Kuşadası Cruise Port in 2003, the Company has enlarged the Port area by constructing a pile platform; replacing the former passenger terminal building with a modern glass and aluminum cruise passenger terminal building; and rehabilitating the town's waterfront through the creation of "Scala Nuova," a highly popular food and beverage and retail shopping center.

Ege Ports – Kuşadası was the first port in Turkey to be qualified compliant with the International Ship and Port Facility Security Code (the "ISPS Code," a global maritime security initiative undertaken by the International Maritime Organization (the "IMO") after the events of 11 September 2001. Since then, Ege Ports has won numerous awards and recognition for being the most secure port in Turkey.

Port Akdeniz (Antalya Port) (2006) A consortium vehicle, comprising Global Port Holding's Akdeniz Liman İşletmeleri A.Ş. (which subsidiary holds Port Akdeniz as to 40%) was awarded the transfer of the twenty-two-year operating rights for a large multi-functional commercial and cruise seaport near the city of Antalya on Turkey's southern Mediterranean coast. Since the acquisition of Port Akdeniz - Antalya, the Group and its partners in Port Akdeniz have improved operational efficiency, in particular through the acquisition and deployment of cranes and winches to assist in commercial cargo and container operations; have made investments to improve both port security and occupational health and safety ("OH&S"); and have undertaken a modest rehabilitation of the existing cruise passenger terminal to bring it into line with modern cruise terminal standards and to allow Port Akdeniz to function as a "turn-around" port, with passengers both disembarking and embarking cruise ships in Antalya. For turn-around operations, inward and onward air travel are effected in by means of Antalya's newly constructed ICF International Airport. .

Bodrum Cruise Port (2007) – Bodrum Yolcu Limanı A.Ş. ("Bodrum Cruise Port") was first awarded a build-operate-transfer ("BOT") agreement by Turkey's Demiryolları, Limanlar ve Hava Meydanları İnşaatı Genel Müdürlüğü (the "DLH") with respect to a Greenfield seaport to be constructed near the center of Bodrum, a touristic and fishing city located on Turkey's southern Aegean coast. The original bidding consortium for Bodrum Cruise Port, which did not include the Group, was awarded a BOT concession granting such consortium the right to operate Bodrum Cruise Port for a period of twelve years commencing December 2007.

In December 2007, Global Ports Holding acquired, from an existing Bodrum Cruise Port shareholder, a 60% majority shareholding in the port consortium vehicle. Following the acquisition by Global Ports Holding of its ownership interest in Bodrum Cruise Port, the Group has undertaken aggressive marketing campaigns directed towards both international cruise ship operators and Greek ferry operators to promote Bodrum as a new cruise destination, with this former fishing village's famed nightlife highlighted as a principal attraction.

See "Business Divisions - Port Infrastructure Division – Global Port Holdings."

ENERGY DIVISION

The energy division (the "Energy Division") of the Group principally comprises, at present, the Şırnak thermal power generation project in southeast of Turkey. On 23 June 2009, the Company disposed of a 95% shareholding interest in Yeşil Enerji for aggregate consideration of US$137 million.

See "Recent Business Developments."

Energaz:

Natural gas distribution concessions (2004) The Group indirectly holds a majority interest in natural gas distribution rights for ten geographic regions of Turkey through its 50% shareholding in Energy Investment Holdings which, in turn, holds a 53% shareholding in Energaz.

See "Business Divisions - Energy Division – Natural Gas Distribution - Energaz".

Yeşil Enerji:

Hydroelectric power generation projects (2008) On 23 June 2009, 95% of Yeşil Enerji, comprising six hydroelectric power plant projects in its portfolio, was sold to Statkraft of Norway for consideration of US$137 million.

See "Business Divisions - Energy Division – Power Generation - Yeşil Enerji".

Ege Global:

Coal-fired power generation project (2008) Ege Global, an 85% owned subsidiary of the Global Holdings Group has, since February 2008, held a 60% stake in Geliş Madencilik A.Ş. ("Geliş Madencilik"). Geliş Madencilik holds exclusive operating rights with respect to a coal mine located in the city of Şırnak, in southeastern Turkey, and will invest in and bring on-line coal-fired power plant projects, also to be located in Şırnak province.

See "Business Divisions - Energy Division – Power Generation – Ege Global"

Hydro-electric power generation project (2007)

As this report goes to print, Global Investment Holdings holds a licence for one hydroelectric power plant project, located in Düzce, under Ege Global.

See "Business Divisions - Energy Division – Power Generation – Ege Global"

REAL ESTATE DIVISION

As first conceived, the portfolio development strategy of the Group's real estate division (the "Real Estate Division") was to focus on investments in high-end residential projects in metropolitan İstanbul. In addition, the Real Estate Division targets the financing and development of new real estate projects from the cash proceeds of advance or other sales of the Real Estate Division's currently held residential projects and properties.

Pera REIT and Joint Real Estate Projects:

Prior to 17 September 2007, the Global Holdings Group's real estate investments and projects were held under two separate entities, namely Global Altyapı Hizmetleri ve İşletmecilik A.Ş. ("Global Altyapı") and Pera Gayrimenkul Yatırım Ortaklığı A.Ş. ("Pera REIT"), a publicly traded real estate investment trust listed on the ISE, and owned as to approximately 26.14% by the Global Holdings Group as at 30 May 2010.

Van mixed-use development project (2008) In February 2008, Pera REIT and the Global Holdings Group won the Van Municipality tender for an approximate 17,000 m² parcel of land in the city of Van, southeastern Turkey. Plans for the development of the Van mixed-use development project include the construction of a shopping center and a 150 room international-standard four-star hotel on the site.

Denizli Sümerpark mixed-use development project (2006) The Group's interest in the Denizli Sümerpark mixed-use development represented the first real estate investment project undertaken by Pera REIT. Plans for the site include the construction of commercial mall space; mid-rise block and detached residential units; and a hotel complex and hospital on a site of approximately 98,500 m² net in Denizli, southwestern Turkey.

Vakıfhan No. VI (2005) Vakıfhan No. VI is a heritage building, first constructed in 1870, and located in the Karaköy district of İstanbul, close to the headquarters of the Global Holdings Group. In January 2004, Global Altyapı, in conjunction with AOG İnşaat Taahhüt Sanayi ve Ticaret A.S., a small İstanbul-based contractor ("AOG") obtained interests in 75% and 25%, respectively, of the restoration, operation and transfer rights for Vakıfhan No. VI pursuant to a 15 year term restore-operate-transfer ("ROT") agreement made with Turkey's General Directorate of Trusts of the Prime Ministry, Republic of Turkey. The 1,700m² ROT re-development was completed in August 2006.

See "Business Divisions - Real Estate Division – Pera REIT and Joint Real Estate Projects".

Other Real Estate Division Projects:

Company Headquarters (2004)

These premises are currently occupied by the Company and several of its subsidiaries. The Global Holdings Group building is located in Karaköy, İstanbul at Rıhtım Caddesi No. 51.

Galata Building (2005)

The Galata Building, formerly known as "Veli Alemdar Han," and directly adjacent to the Company headquarters, comprises 12,000m² of gross indoor area. The Galata Building is pending redevelopment as a three-star boutique hotel.

See "Business Divisions - Real Estate Division – Other Real Estate Projects".

FINANCE DIVISION

Global Securities:

Brokerage, research, corporate finance advisory (1990) Global Securities has, since 1990, provided a range of services to retail and institutional portfolio investors, as well as investment banking services to corporate clients.

See "Business Divisions - Finance Division – Global Securities".

Global Asset Management:

Domestic fund and portfolio management (1998) Global Asset Management currently comprises eight open-end Turkish mutual funds, each listed on the Istanbul Stock Exchange, and also provides contractual fund management services to corporate accounts and high net-worth individuals.

See "Business Divisions - Finance Division – Global Asset Management".

Privatization of İskenderun Port

İskenderun Port is situated on the southeast side of İskenderun Bay, which extends northeast from the Mediterranean Sea at the far eastern end of Turkey's Mediterranean coast, near the country's border with Syria.

İskenderun Port serves the south eastern and eastern regions of Turkey, as well as transit traffic to Middle Eastern countries. The Port services various types of commodities and cargo groups, including general cargo, dry and liquid bulk, container handling and roll-on, roll-off ("Ro-Ro") vessels.

İskenderun Port, which has 1,400 meters of breakwater, covers a total area of 1,024,000m^2 and comprises ten cargo berths. In 2009, İskenderun Port handled 2.4 million tons of primarily bulk and general cargo.

Currently operated by the T.C. Devlet Demiryolları (the "TCDD"), İskenderun Port was originally tendered to the private sector in September 2005. However, that tender was cancelled on legal grounds.

On 16 May 2010, the Government of Turkey announced the re-opening of the tender for the transfer of the thirty-six year operating rights in respect of İskenderun Port.

Company management intends to participate in the re-tender of İskenderun Port.

İzmir Port Transaction

In May 2007, the Group, together with its partners Hutchison Port Holdings Limited ("HPH"), Hutchison Ports Turkey B.V. ("HPT"), DB Infrastructure Holding (UK) No. 2 Limited, and Ege İhracatçı Birlikleri Liman Hizmetleri ve Taşımacılık A.Ş. ("EIB-Limaş), bid US$1.275 billion and was awarded the tender for the forty-nine-year operating rights in respect of İzmir Port pursuant to a tender process managed by the Privatization Administration of Turkey ("PA").

Privatization transactions in Turkey, of any sort, are frequently challenged in the courts.

The privatization tender for İzmir Port has encountered similar judicial challenges throughout its tender process. In 2005 and 2006, prior to the tender, and before the Council of State, which is Turkey's highest court for administrative cases, Türkiye Liman ve Kara Tahmil-Tahliye İşçileri Sendikası "(Liman-İş), a union of harbor workers, had filed two lawsuits against the Privatization High Council, with one lawsuit related to the cancellation of the decision to privatize İzmir Port; and the other lawsuit relating to the cancellation of the preliminary transactions in respect of the İzmir Port tender.

In addition, in July 2007, the Foundation for the Development of Public Management of Operations (the "Foundation", a non-governmental organization concentrated on the enhancement of the operations of the State Economic Enterprises) filed two further lawsuits against the PA at the Council of State seeking both to cancel the İzmir Port tender and to obtain a stay of execution of the privatization of İzmir Port.

Neither the Global Holdings Group nor its partners were made parties to the aforementioned court proceedings. However, the litigation resulted in a considerable delay in the finalization of the tender process. The Group, in collaboration with its consortium partners, had secured external bank financing for the bid amount in 2008.

Unfortunately, due to the protracted litigation and the lengthy trial and appeals processes, the İzmir Port privatization transaction was still entangled in legal proceedings when the sub-mortgage loan and CDO crises struck the banking and financial systems of the United States in the second half of 2008.

As a result of the Wall Street crisis, liquidity and credit worldwide rapidly retracted; asset prices decreased substantially across the globe, and the liquidity and financial stability of many financial institutions, in particular banks, were severely damaged by the turmoil in the financial markets and by decreased asset prices.

With the lending capability of banks diminished dramatically, and with no foreseeable conclusion to the Council of State and other litigation relating to the İzmir Port privatization, the previously arranged financing for the Group and its partners was no longer available on feasible terms, if at all.

On 7 January 2010, with the expiration the date for closing the Izmir Port transaction as set forth in the tender specifications, the PA called for the liquidation of the Bid Bond which had been submitted by the Group and its partners during the initial tender process. The Group satisfied its obligations towards the PA and the respective banks by paying the forfeiture fees in respect of the Bid Bond.

In the view of internal and external legal counsel, the Group does not have any further liabilities regarding the İzmir Port Privatization transaction.

Sale of Yeşil Enerji – Hydroelectric Generation

On 23 June 2009, 95% of Yeşil Enerji, comprising 6 hydroelectric power plant projects in its portfolio, was sold to Statkraft of Norway for consideration of US$137 million. The Global Holdings Group is currently working on advancing the status of the remaining two hydroelectric power plant projects in the Company's portfolio which, at a later date, will be included in the transaction with Statkraft once a certain stage of progress is reached with respect to those projects.

Statkraft, a Norwegian company, is the largest renewable energy generator in Europe. Statkraft develops and generates hydropower, wind power, gas power and district heating, and is a major participant on the European power exchanges.

The estimated total investment for the development and construction of the projects under Yeşil Enerji was estimated to be between US$900 million and US$1,100 million. The Company, pursuant to its strategy at the time, decided to monetize its renewable hydroelectric energy projects two years after commencing work on, but without committing a significant amount of financing to, such projects.

According to the share purchase agreement made between Statkraft and the Company in relation to the sale of Yeşil Enerji, the Company shall remain as a minority 5% shareholder, with board representation, and shall benefit through incremental returns should there be an outperformance in operational results.

The Company sees this transaction as a strong signal of ongoing appetite from leading global operators to increase their exposure to the growing Turkish energy market. This agreement is a clear indication of confidence in both the Global Holdings Group and in Turkey.

Başkentgaz Tender

The Başkentgaz privatization tender, organized by the Ankara Metropolitan Municipality (the "Municipality"), related to the proposed sale of 100% of the shares of Başkent Doğalgaz Dağıtım A.Ş. ("Başkentgaz"), a municipality-owned company which holds the gas distribution rights in respect of Ankara for a period of thirty years. The Başkentgaz Tender was held on 14 March 2008.

A consortium (the "Consortium") comprising the Global Holdings Group and Energaz, submitted the highest bid: US$ 1.61 billion. Subsequently, ABN AMRO Infrastructure Capital Management Ltd. and STFA Holding A.Ş. ("STFA") joined the consortium in accordance with the tender specifications. The tender was subject to approvals by Turkey's Competition Board, the Energy Market Regulatory Authority of Turkey ("EMRA"), and the Municipality. The tender was approved by the Competition Board in August 2008 and EMRA started its review process. Subsequent to all of the requisite approvals, a share purchase agreement was to be signed between the Municipality and the Consortium, in which the Company would have a 51.66% equity stake.

Pending approval by EMRA, the Municipality applied to forfeit the bid bond of US$50 °million that had been provided by the Consortium during the bid process.

Consequently, in December 2008, the Beyoğlu 1st Commercial Court of First Instance (the "Court") granted an injunction to protect the bid bond of the Consortium against any attempt by the Municipality of Ankara to liquidate the bid bond. The Court also rejected the appeal by the Municipality against the injunction decision, acknowledging the Consortium's claims in connection with the tender process. Most recently in March 2009, the term of the Consortium's bid bond expired pursuant to its terms.

Sale of Land Located in Balıkesir

In March 2008, Pera REIT won a tender for a 31,937 m^2 area land located on the Bursa highway leading into the city of Balıkesir. Tesco Kipa Kitle Pazarlama Ticaret ve Gıda Sanayi A.Ş. ("Tesco Kipa") expressed its interest for the Balıkesir land and the sale of the land to Tesco Kipa for approximately US$12.5 million was completed in February 2009.

Real Estate Asset Swap

In March 2009, the Company agreed to transfer its 20% shareholding in Boğaziçi Yatırım Holding A.Ş. ("Bosphorus Holding") to the existing majority partner. In return, that partner agreed to transfer its 80% share in the Galata Building to the Company. As disclosed above, the Galata Building property has a 12,000 m^2 gross indoor area and is located directly adjacent to the Company's Headquarters. Both buildings are in close proximity to the Galata Port in the historical district of Karaköy, İstanbul. The Company plans to renovate the property so that it may be operated as a three-star boutique hotel.

Subsidiaries of Global Securities in U.S.A., Kazakhstan and Romania

In early 2009, the Company's finance division subsidiaries in the United States, Kazakhstan and Romania, as well as its Turkish brokerage operation, Hedef Securities, ceased operations and the respective offices were closed. Although certain Global Securities subsidiaries have ceased operating, they still hold valid licenses which may be sold, for money consideration, to other parties.

TARGET INVESTMENTS

Turkish and Regional Cruise and Commercial Sea Ports:

Galata Port, İstanbul. It is expected that the tender for the transfer and redevelopment operating rights, by a private operator, of the Salıpazarı-Karaköy cruise port complex on the Bosphorus Strait in İstanbul will be renewed. If so, Global Investments Holding plans to participate in such tender with its strategic and financial partners.

İskenderun Port, Turkey. In May 2010, the Government of Turkey announced the re-tender of the transfer of the thirty-six year operating rights in respect of the commercial port of İskenderun, located on the coast of the eastern Mediterranean.

The Global Holdings Group intends to participate in the İskenderun Port tender.

Liquid Storage Facilities (Tank Farms):

Tank Farm Projects. The Global Holdings Group continues to evaluate the development or acquisition of storage facilities primarily for liquid petroleum, petrochemical and chemical products. Company management have identified a promising market that presents investment opportunities which may be potentially complementary with the Group's Port Infrastructure Division.

See "Business Divisions - Port Infrastructure Division – Target Projects".

ENERGY DIVISION

Natural gas importation and wholesale trade. The Company plans to participate in tenders for the transfer of state-held contractual purchase commitments for natural gas.

See "Business Divisions - Port Infrastructure Division – Target Projects".

The Global Holdings Group
BUSINESS DIVISIONS

Port Infrastructure Division

The Group's Port Infrastructure Division currently comprises a 72.5% holding in Ege Ports - Kuşadası; a 60% holding in Bodrum Cruise Port; and, subject to Competition Board and other regulatory approvals, a 100% holding in Port Akdeniz - Antalya.

These seaport investments are held under Global Port Holdings, a wholly-owned subsidiary of the Global Holdings Group.

Prospective investments for the Port Infrastructure Division include additional Turkish and regional sea ports, as well as liquid storage facilities with access to sea transportation.

The Cruise and Commercial Port Markets in Turkey

Turkey's extensive coastlines along the Black Sea, the Marmara Sea, the Aegean Sea, the Mediterranean Sea and the Bosphorus Strait include a number of major cruise ports; commercial and multi-functional ports; and marinas. Traditionally controlled by the Turkish state, many ports are now being privatized and constitute a major focus area for the Group.

Data published by the Turkish Ministry of Culture and Tourism (the "Ministry") indicates that Turkey is becoming an increasingly popular cruise destination. According to the Ministry, the number of tourists arriving in Turkey by sea was 1.7 million, 2.0 million and 2.0 million for the years 2007, 2008 and 2009, respectively, corresponding to 7.3%, 7.5% and 7.5% of the total number of tourists visiting Turkey during those years.

The cruise sector in Turkey grew, in terms of the number of cruise ships, by 5% in 2008 as compared to 2007. During the same period, due to the cruise sector trend towards increasingly large cruise ships, the number of passengers arriving by cruise vessels grew by 15%. The leading cruise ports in the Turkish cruise market are Ege Ports - Kuşadası, İstanbul Salıpazarı (Galata) Port, the Port of İzmir, and Bodrum Cruise Port, together constituting approximately 90% of the total Turkish cruise market.

Turkey's commercial ports are the main hubs for the majority of the country's international trade. Based on TURKSTAT (Statistical Institute of the Prime Ministry of the Republic of Turkey) data, approximately 85% of Turkey's international trade volume is handled through maritime transportation. According to Türklim (Port Operators Association of Turkey) data, the total container traffic at Turkish ports in 2009 was 4,513,846 TEU (twenty-foot-equivalent-units), representing a contraction of 14.0% over 2008; and the total volume of general and bulk cargo, including liquid bulk cargo, handled in 2009 was 88,977,508 tons, representing a contraction of 21.4% contraction over 2008.

GLOBAL PORTS HOLDING

EGE PORTS KUŞADASI

PORT AKDENİZ ANTALYA

BODRUM CRUISE PORT

Ege Ports (Kuşadası)

In July 2003, Ege Ports was awarded a transfer of the thirty-year operating rights for the Ege Ports - Kuşadası cruise port, located in the city of Kuşadası on the Turkish Aegean coast. Kuşadası is direct proximity to the world-renowned classical archaeological site of Ephesus, and is also proximate to the religious site of Meryem Ana, which draws thousands of pilgrims each year.

Ege Ports is owned as to 72.5% by the Company and as to 27.5% by Royal Caribbean Cruises, Ltd., a Miami-headquartered cruise operator which held a share of approximately 25% of the world cruise travel market in 2008, according to the Caribbean Cruise Association.

Since taking over operations at Kuşadası, Ege Ports has, through the addition of modern, International Ship and Port Facility Security Code (the "ISPS Code") compliant and world-class facilities, as well as through effective marketing and promotion activities, successfully established Ege Ports - Kuşadası as one of the major destinations in the Mediterranean cruise market.

In April 2005, Ege Ports completed an investment of approximately US$5.9 million in a new passenger terminal and related facilities at Ege Ports - Kuşadası. In conjunction with the 2005 renewal of Ege Ports, a food and beverage and retail shopping complex, named "Scala Nuova," was completed at a cost of approximately US$5.2 million. The Scala Nuova complex features leading national and international retail brands, as well as regional and local stores.

Currently, Ege Ports- Kuşadası is planning to expand the berthing capacity of the Port by constructing the third pier and extending the existing piers for larger vessel sizes.

Ege Ports generates its revenues from three main sources: cruise port and ferry operations, the Scala Nuova complex, and duty-free shopping. Revenues from cruise port and ferry operations consist principally of landing revenue, based on the number of passenger arrivals, and revenues from port services, including pilotage, tugboat, sheltering, security, waste removal, fresh water and parking. Scala Nuova complex revenues comprise the rent revenues from retail tenants.

The United States subprime mortgage and CDO market crises, referenced elsewhere in this Annual Report, also struck the global cruise industry in 2009. International tourism, including the cruise sector, was negatively affected by the global economic crisis as potential cruise passenger tourists were obliged to reconsider discretionary spending.

The cruise industry was also affected adversely at the beginning of 2009 by the wide and rapid spread of H1N1 virus, or swine flu.

Although a challenging year for the worldwide cruise sector, 2009 was nevertheless successful for Ege Ports - Kuşadası was able to maintain the cruise call level and surpass the total passenger level it had achieved in 2008. In addition to Ege Ports' successful marketing campaign to minimize the effects of the crisis, Ege Ports - Kuşadası was able to maintain increases in passenger numbers in 2009 by negotiating with cruise lines on the Port's standard tariff, in turn giving our cruise operator clients the flexibility to their fees in order to maintain adequate cruise passenger occupancy levels for their ships.

Non-cruise visitors to the Port facilities and the Scala Nuova complex numbered approximately eight thousand per day during the summer months.

Primarily as a result of the growth in passenger arrivals during the year together with the positive impact of Scala Nuova-generated business and duty-free revenues, Ege Ports - Kuşadası realized net revenues of US$15.2 million in 2009 and an EBITDA figure of US$11.4 million.

As of the date of this Annual Report, Ege Ports - Kuşadası is the busiest cruise port in Turkey in terms of passenger arrivals and number of calls,

Ege Ports' success has been recognized since its acquisition in 2003 with numerous awards and citations. A list of these awards and citations is available on the Ege Ports website: See "www.egeports.com."

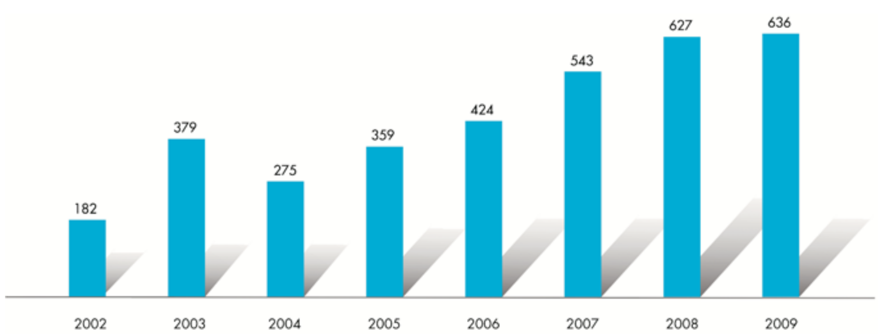
From its first day of operations in July 2003, maritime and civil security have been the main focus and, eventually, a key marketing asset for Ege Ports - Kuşadası.

Ege Ports was the first cruise port in Turkey to be qualified as compliant with the International Ship and Port Facility Security Code (the "ISPS Code") promulgated by the International Maritime Organization shortly following the terrorist attacks on New York City on 11 September 2001.

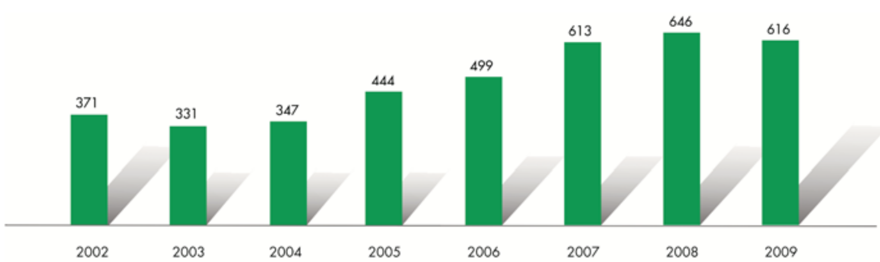
During 2009, Ege Ports also continued to pursue, both independently and in coordination with the Turkish Ministry of Culture and Tourism, a vigorous marketing program on a number of international platforms, including Seatrade Hamburg and Seatrade Med Venice, to attract additional cruise lines and calls - a program that has been extended to encompass Bodrum Cruise Port. The marketing program for 2010 season will be further extended with the participation, in March 2010,by the marketing executives of the cruise ports within the Port Infrastructure Division.

In addition to our participation in leading fairs and expositions for the to the cruise sector, the cruise ports marketing team conducts a annual, thoroughly organized road-shows to visit all the major U.S. based cruise companies.

Last, other key factors in the continuous growth of cruise passenger traffic at Ege Ports - Kuşadası over the past six years include the growing demand for cruise tourism world-wide; increasing popularity of Aegean and Mediterranean cruise destinations; and the deployment by cruise operators of larger cruise vessels with cruise passenger capacities of up to 6,000 persons.



Port of Kuşadası Total Passenger Arrivals (thousands)



Port of Kuşadası Cruise Ship Arrivals

Port Akdeniz -Antalya

In October 2006, a joint venture 40% owned by Global Port Holdings acquired the twenty-two year operating rights for Port Akdeniz -Antalya. The acquisition price was US$61 million. The Group's partners in Port Akdeniz are Çelebi Holding A.Ş. ("Çelebi Holding") (40%), a privately-owned ground handling services operator in Turkey, and Ant Marin Denizcilik Paz. San. Tic. A.Ş. ("Antmarin") (20%), a small-scale port services and chandlery provider.

Situated on Turkey's Mediterranean coast, Antalya is the regional center of tourism, agriculture and trade and, as such, plays a vital function in exports.

Ringed by the snow-capped Taurus Mountains, Antalya's beaches and golf resorts, as well as its proximity to important archaeological sites, including the ancient cities of Perge and Aspendos, make it a major center in the Turkish tourism industry. The city attracted nearly nine million visitors in 2009.

As a trading center, Antalya and its surrounding area encompass seven organized industrial zones, various agricultural entities and the Antalya Free Trade Zone.

While traditionally operated as a commercial port, Port Akdeniz is a multi-functional facility spread over a total marine area of approximately 136,000m^2. The Port has ten berths, which can accommodate bulk, general and container cargo vessels, as well as cruise vessels, and also includes a marina with a 250 berth and 150 yacht dry-dock capacity. The marina is operated by a new entrant to the marine operations business which acts as a concessionaire, paying annual rent to the Port operator at the beginning of each year. The rehabilitation of the existing cruise terminal at Port Akdeniz was swiftly undertaken in 2009, and the terminal has commenced cruise port operations, including turn-around operations, as of the date of this Annual Report.

As a commercial port, Port Akdeniz is widely used by companies in the cement, clinker, coal, aluminum, marble, mining, chemicals and agriculture sectors, and has a dry bulk and general cargo handling capacity of approximately 5.0 million tons and container handling capacity of 350,000 TEU per year. Since the take-over of the Port in October 2006, and following improvements to operations by the new management, the container cargo volume at Port Akdeniz increased by 31%, 73% and 7% in 2006, 2007 and 2008, respectively, and the container handling volume in 2008 reached 67,686 TEU. However, for 2009, due to the global financial crisis, the container handling volume of the Port leveled at 63,366 TEU, representing a 6.4% y-o-y decrease as compared to the container volume handled in 2008.

In contrast to the decrease in the container volume witnessed in 2009, the general and bulk cargo handled during the same period reached 2.8 million tons, an approximate 40% y-o-y increase over 2008.

In 2009, mainly due to the increase in the general and bulk cargo volume, Akdeniz Port realized total revenues of US$26.6 million representing a 3% increase compared to 2008, as a result of improvements and efficient management measures.

Bodrum Cruise Port

Bodrum Cruise Port was privatized in June 2004 under a twelve-year BOT concession agreement, the term of which commenced in December 2007. Pursuant to a share sale and purchase agreement made and entered into in April 2007, the Group acquired 60% of the shares of the Port's operator. The other shareholders of Bodrum Cruise Port are Setur Turistik Servis A.Ş., a duty-free operator beneficially owned by the Koç Group of Turkey, and by Yüksel Çağlar, a local entrepreneur, with shareholdings of 10% and 30%, respectively.

Located in the popular resort town of Bodrum on the south-west Aegean coast of Turkey, Bodrum Cruise Port is positioned to service both international cruise and motorboat traffic around the Bodrum Peninsula, as well as the Greek ferries which shuttle between Bodrum and the nearby Greek island of Kos.

Bodrum Cruise Port covers a total area of 22,000m^2 and can accommodate two large-sized or four smaller cruise ships at the same time. The Port also includes three motorboat ramps in addition to quays to harbor small boats. The terminal building houses a duty-free shopping area, exchange office, restaurants, travel agency, car rental office, bank and lounge.

Bodrum Cruise Port's first season under the new management commenced in March 2008. Immediately after taking over the management, Bodrum Cruise Port undertook several initiatives to promote the Port as a new destination for the 2008 season, including the participation to major industry fairs, such as Seatrade Miami.

In December 2008, the success of Bodrum Cruise Port was recognized internationally by the famous organization "Seatrade Insider," which chose Bodrum Cruise Port as a finalist for the "Destination of the Year". During 2009, the marketing efforts for promoting the Port have been accelerated. In addition to participating in international cruise organizations, during the summer of 2009, Bodrum Cruise Port hosted a series of concerts and events attracting both local and foreign tourists to its facilities while enhancing social and cultural environment of Bodrum.

In addition, Bodrum Cruise Port has initiated a capital expenditure program which aims to increase the attractiveness of the Port for both local tourists and cruise passengers. Bodrum Cruise Port started the installation of marine structures, including trim anchors for hydrofoils and mega-yachts.

Bodrum Cruise Port has also commenced the implementation plans for mooring dolphins that will enable larger cruise vessels to call at the Port. Furthermore, in order to enhance the accessibility of the Port, water taxi services commenced to carry the visitors of the Port to and from the surrounding locations.

During 2009, the Port received 92 cruise ship and 23 motorboat calls with a total number of 37,726 and 4,836 passengers, respectively. Bodrum Cruise Port generated total revenues of US$1.3 million in 2009.

Port Infrastructure Division
TARGET PROJECTS

Turkish and Regional Cruise and Commercial Sea Ports

İskenderun Port, Turkey:

İskenderun Port is situated on the southeast side of İskenderun Bay, which extends northeast from the Mediterranean Sea at the far eastern end of Turkey's Mediterranean coast, near the country's border with Syria.

İskenderun Port serves the south eastern and eastern regions of Turkey, as well as transit traffic to Middle Eastern countries. The Port services various types of commodities and cargo groups, including general cargo, dry and liquid bulk, container handling and roll-on, roll-off ("Ro-Ro") vessels.

İskenderun Port, which has 1,400 meters of breakwater, covers a total area of 1,024,000m^2 and comprises ten cargo berths. In 2009, İskenderun Port handled 2.4 million tons of primarily bulk and general cargo.

Currently operated by the T.C. Devlet Demiryolları (the "TCDD"), İskenderun Port was originally tendered to the private sector in September 2005. However, that tender was cancelled on legal grounds.

On 16 May 2010, the Government of Turkey announced the re-opening of the tender for the transfer of the thirty-six year operating rights in respect of İskenderun Port.

Company management intends to participate in the re-tender of Iskenderun Port

Galata Port, İstanbul:

Galata Port, the second busiest cruise port in Turkey in terms of passenger arrivals, extends 1.2 km along the Bosphorus Strait and comprises a total land area of approximately 100,000m^2. Galata Port is ringed by the historic Eminönü, Galata, Karaköy, Topkapı and Fatih districts of İstanbul.

The Company was a member of a consortium that submitted the highest bid in a build-operate-transfer ("BOT") tender for Galata Port in August 2005. The project envisaged an extensive urban renewal project, which in addition to redeveloping Galata Port into a modern cruise port; was to include tourism facilities, a hotel and shopping complex and other pedestrian and tourist friendly features. The entire Galata Port project was to have been integrated with inter-modal transportation; combining the highest international standards of modern design, technology and security with the preservation and restoration of existing historical buildings and monuments on the site.

At the beginning of 2006, the Turkish Authorities announced that the tender was cancelled on technical and legal grounds. In February 2010, as the outcome of a tender organized by the Privatization Administration, EFG İstanbul Menkul Değerler-Mag Mühendislik-İşmen Hukuk Bürosu was selected as the advisory consortium to organize the Galataport tender process which is expected to be finalized by the end of 2010. The Company intends to participate in the new tender and is currently following up on the developments in the tender process.

Liquid Storage Facilities (Tank Farms)

Tank Farm Projects: Tank farms are liquid storage facilities primarily for liquid petroleum, petrochemical and chemical products. Company management have identified a promising market for "independent" tank farms in Turkey, being tank farms that are operated by companies that do not pursue other lines of businesses such as trading. In turn, of the few tank farms in the Marmara region which might be classified as independent or semi-independent, few are considered to operate in line with international standards.

Due to high growth in the chemical and petrochemical industries in Turkey, averaging 11% per annum over the past decade (TURKSTAT), demand for liquid storage facilities has risen. Therefore, investments in the sector would seek to exploit the gap between the current supply of, and current and anticipated demand for, storage facilities. Moreover, increasing gas and oil trade from the Black Sea to Turkey and European countries may also be expected to compound tank farm storage demand in Turkey.

Tank farms present potentially complementary investment opportunities which could enhance the ports portfolio within Global Port Holdings by extending the Group's port-related businesses into liquid storage.

ENERGY DIVISION

As this Annual Report goes to print, the Energy Division portfolio encompasses the Group's interests in ten natural gas wholesale licenses, one hydroelectric project license and one coal-fired power plant project.

Energaz, Galata Enerji, Geliş Madencilik, and Ege Global are the main subsidiaries of the Company engaging in gas distribution, coal-fired power generation, and hydro-electric power generation, respectively.

NATURAL GAS DISTRIBUTION

Natural gas was introduced to Turkey in 1987. Residential as well as industrial consumption started in 1989. Until 2003, natural gas was primarily available to power generators and to meet the both public and private sector requirements of a few major cities due to the high cost of required infrastructure investment and limited government resources. In 2003, the government initiated privatization for natural gas distribution in urban areas around the country. The private sector involvement was beneficial for end users in regions with non-existent networks; speeding up infrastructure investment. Having been supported by privatizations, natural gas consumption in Turkey has increased at 10.0% per annum over the last ten years and reached a consumption level of 32.1 billion m^3 in 2009.

Despite the extensive infrastructure investments by the private sector, the overall penetration rate for natural gas in Turkey still remains low, and has ample room for growth in line with the developments in urbanization and industrialization throughout the country. Boru Hatları ile Petrol Taşıma A.Ş. ("BOTAŞ"), the Turkish state-owned enterprise which owns and operates petroleum and gas pipeline infrastructure and holds long-term natural gas import contracts, foresees that the demand for natural gas in Turkey will further increase to 56.9 billion m^3 and 66.9 billion m^3 in the years 2015 and 2020, respectively.

Furthermore, in order to move towards cleaner energy, many local communities and municipalities have passed laws providing that households must convert from coal to natural gas where natural gas is available. Company management anticipates that such laws will result in a material increase in penetration rates in related areas.

GALATA ENERJİ

Energaz

The first energy sector projects realized by the Global Holdings Group started in 2003 with the acquisition, jointly with STFA and local partners, of rights from the state to establish and operate natural gas distribution networks servicing both households and industrial facilities in certain concession regions for a period of thirty years.

energaz

The Group's investments in the natural gas sector are held indirectly through Energaz, which is responsible both for running existing operations and expanding the natural gas business. Energaz is majority-owned by Enerji Yatırım Holding A.Ş. ("Energy Investments Holding" or "EIH") a strategic joint venture formed between the Company and STFA to pursue opportunities in the natural gas sector. The Company owns 50.0% of EIH and STFA hold the remaining 50.0%.

STFA was founded in 1938 and is one of the leading contracting and construction groups in Turkey. It also has operations in engineering, catering and facility management, industrial chemicals and heavy equipment both within Turkey and for clients in other countries including Libya, Saudi Arabia, Iran, Tunisia and Pakistan.

The Group's natural gas distribution investments consisted, as at the end of 2009, of thirty-year natural gas distribution rights for ten regions of Turkey. The Group acquired its tenth region in February 2008, through a tender by EMRA for the thirty-year natural gas distribution rights for Aydın region. Based on TURKSTAT's estimated 2008 population figures, with the addition of Aydın region (estimated population of around one million), Energaz is the second largest privately-owned gas distributor in Turkey, covering regions collectively representing over 11% of the country's total population of over seventy million.

In 2009, the Group also initiated investments in the natural gas wholesale sector alongside its strategic perspective to establish a vertically integrated natural gas enterprise. With that respect, Energaz's subsidiary Medgaz A.Ş. ("Medgaz") which holds a natural gas wholesale license issued by EMRA, signed a supply agreement with a private natural gas importer that will be effective starting January 2010. Energaz intends to meet some part of natural gas demand by the distribution regions under its ownership through the supply agreement of Medgaz. Medgaz plans to further diversify its natural gas resources through new supply contracts in the form of pipe-line gas as well as liquefied natural gas with other suppliers with the purpose to realize supply to consumers both serviced by Energaz's distribution companies and other consumers all around Turkey.

The first natural gas distribution companies in which the Group holds stakes became operational in 2004, servicing the Konya and Çorum regions of central Turkey. One further distribution company, servicing the Ereğli region, became operational in 2005. During 2006, natural gas distribution commenced in the Niğde-Nevşehir and Denizli regions, and during 2007, in the regions of Karaman and Erzincan. In addition, Energaz acquired 100% ownership of the operational natural gas distributor for the Aksaray region from the original concessionaire in the third quarter of 2007. In Antalya, distribution activities are expected to be fully operational during 2010. Investments as well as natural gas delivery in Aydın, the last region added to the portfolio, are expected to be initiated within 2010.

The Group's natural gas distribution companies have continued to expand their subscriber bases during 2009. As the end of 2009, the total number of subscribers in the Konya and Çorum regions exceeded 223,500, compared to 199,500 in 2008, while subscribers in the Ereğli and Aksaray regions reached 45,100, compared to 39,800 in 2008, and subscribers in the Niğde-Nevşehir and Denizli regions numbered 91,800, compared to 71,400 in 2008.

The distribution companies in the Karaman and Erzincan regions, which became operational in 2007, added 3,700 subscribers during 2009, reaching 18,400 subscribers. As for the Antalya region, where the initial network investments still continue, the region ended 2009 with total 700 subscribers. The total number of subscribers serviced by the Group's operational natural gas distribution companies as at 31 December 2009 exceeded 379,500, indicating an increase of 16.6% since 2008 year-end.

Despite the increase in the number of subscribers, the overall gas consumption in those eight operational regions has experienced a modest decline in 2009 compared to the previous year, reaching 631.6 million m^3. The primary reason of this decline has been the negative effects of the economic slowdown in 2009, especially on the industrial consumption as well as deferrals by residential consumers of their investments for conversion into natural gas systems. Nevertheless, it is estimated that these deferrals will be compensated with higher levels of new subscriptions during the coming years. Alongside a more positive macroeconomic environment, the industrial consumption levels are also projected to continue recovering, primarily due to the improvement in industrial production.

The table below presents the estimated population, the number of subscribers, natural gas consumption and the network penetration rate for the year 2009 for the ten concession regions in the Energy Division portfolio during that period:

Year ended 31 December 2009

Concession Region	Population (1) ('000)	Total Subscribers ('000)	Total Subscribers (YoY Growth)	Network Penetration Rate (2)	Natural Gas Consumption (million m^3)	Natural Gas Consumption (YoY Growth)
Konya	1,835	154,000	13.4%	66%	235.1	2.4%
Çorum	545	69,500	9.0%	79%	104.0	-7.3%
Ereğli	135	18,400	5.9%	64%	23.0	-18.7%
Niğde-Nevşehir	620	20,300	36.5%	48%	25.5	5.8%
Denizli	917	71,500	26.6%	79%	138.0	-23.4%
Karaman	230	12,000	20.3%	49%	47.3	9.7%
Erzincan	211	6,400	35.9%	53%	6.6	206.3%
Aksaray	371	26,700	19.3%	57%	52.1	5.6%
Antalya	1,860	700	215.0%	1%	n/a	n/a
Aydın	966	n/a	n/a	n/a	n/a	n/a
Total	**7,690**	**379,500**	**16.6%**		**631.6**	**-5.6%**

(1) TURKSTAT 2007 address-based census estimated population figures.
(2) Total number of households subscribed divided by total number of households within the existing network coverage.

The consolidated revenues of the distribution companies were realized as TL139.1 million (US$90.0 million) in 2009 representing a decrease of 7% from TL150 million (US$113.6 million) in 2008. The operating results of all natural gas distribution companies are consolidated in the Global Holdings Group's 2009 financial statements.

Power Generation

According to TEİAŞ (Türkiye Elektrik İşletim A.Ş.), the Turkish state-owned electricity grid operator, the demand for electricity in Turkey has increased rapidly over the last decade, with gross electricity demand rising from approximately 85.6 TWh in 1995 to 194,1 TWh in 2009, representing a compounded annual growth rate of 6.0%. Furthermore, a study prepared by TEİAŞ on electricity generation capacity projections for Turkey from 2007 to 2015 concludes that the total capacities and annual projected or reliable outputs of the existing power plants and other licensed plants which are under construction or planning will not be sufficient to meet the country's electricity demand in terms of peak capacity, projected output or reliable output within the next two to eight years. Accordingly, Company management intends to continue to invest in electricity generation projects, particularly using domestic natural resources such as coal.

Yeşil Enerji

The Global Holdings Group was one of the early entrants to the booming renewable energy market in Turkey. Beginning in 2007, a portfolio of 630 MW of generation capacity, consisting of eight hydroelectric power assets, most of which were at the pre-licensing phase, was established.

In 23 June 2009, 95% of Yeşil Enerji, comprising a portfolio of six hydroelectric power plant projects, was sold to Statkraft of Norway for a consideration of US$137 million.

Ege Global

In February 2008, the Company, through its subsidiary Ege Global, signed a share purchase agreement to acquire a 60% stake in Geliş Madencilik, a company which holds exclusive operating rights with respect to a coal mine of 200 million tons of probable coal reserves located in Şırnak, Turkey.

Following the signing of the share purchase agreement, Ege Global, through its 56% held-subsidiary Galata Enerji, commenced developing a 270 MW coal-fired circulating fluidized-bed boiler ("CFBB") type power plant. As of the date of this Annual Report, Galata Enerji has been granted a generation license for forty-nine years by the Ministry of Energy, environmental impact assessment has been conducted and approved by the Ministry of Environment, connection points to national transmission grid has been assigned by TEİAŞ and quantitative reserve assessment as well as the evaluation of the combustion characteristics of the coal have been completed by third party advisors.

The affiliated mining company, Geliş Madencilik, is entitled pursuant to a royalty agreement signed with Special Provincial Administration of the Turkish state as at 29 June 2007, to the operating rights in respect of a 250 km^2 coal mine field in Şırnak, comprising seven known pylons.

As at 11 June 2009, the existing royalty agreement was extended for an additional term of thirty-three years, a period sufficient to both cover the projected three years of construction period and thirty-year economic life of the planned 270 MW power plant at Şırnak. Currently, Geliş Madencilik is extracting approximately 700,000 tons of coal per annum and is selling the extracted coal to the state and to provincial authorities.

The General Directorate of Mineral Research and Exploration (the "General Directorate") had previously performed a limited amount of drilling on each of the seven known pylons of the coal mine. Therefore, in 2008, Geliş Madencilik appointed Golder Associates Ltd. ("Golder"), an international advisor specializing in ground engineering and environmental services, to conduct reserve estimations and modeling studies and to assess the reserves on one of the seven pylons, Avgamasya. The drilling campaign commenced early 2008, and 8,600 meters of drilling have been performed in thirty-five drill holes under the supervision of Golder. The reserve assessment report of Avgamasya suggests that approximately 36 million tons of probable coal reserves, a figure considerably higher than that was formerly stated by the General Directorate. Geliş Madencilik also believes that the remaining six pylons may contain higher reserves than those estimated in the previous studies by the General Directorate, and that the mining field may potentially include further pylons as well, with overall probable coal reserve of the field exceeding 200 million tons.

The results of the combustion tests performed by Geliş Madencilik for the coal reserves in Avgamasya in a circulating fluidized-bed combustor ("CFBC") test plant in Germany (at the facilities of Ruhr-Universität Bochum, Faculty of Mechanical Engineering, and Department of Energy Plant Technology or LEAT) have suggested that coal from such pylon has one of the highest calorific values observed in Turkey, at 4,000-4,500 kcal per kilogram of coal. The combustion reactions of the coal and the additives have also complied with CFBC technology and the relevant environmental regulations.

Galata Enerji plans to source the coal required for the proposed power plant from the mine owned by Geliş Madencilik under a long-term supply agreement. Currently, excavation in the field is carried out through open pit mining which results in a relatively lower unit cost per ton of coal excavated compared with other mines in general. As the development of a coal-fired power plant was the primary rationale behind the acquisition of Geliş Madencilik mining company, Ege Global has formed a dedicated team of professionals experienced in mining and coal-fired power generation in order to facilitate plant construction and equipment procurement, as well as to ensure the orderly progression of legal, regulatory and administrative matters.

It is estimated that the 270 MW power plant will consume approximately one million tons of coal and generate 1,600 Giga Watt hours ("GWh") of electricity per year, net of internal consumption in its first year of operations, corresponding to an estimated US$160 million annual turnover, assuming current electricity prices of US$0.10 per KWh.

Fluidized bed combustion technology was chosen for the Şırnak power plant on the basis of environmental considerations as compared with conventional boilers. This technology has come into wide use over the past ten years. Chinese manufacturers, in particular, provide competitive pricing and technical expertise.

Most recently in January 2010, as a result of an extensive evaluation process including a number of leading international contractors, Galata Enerji signed an engineering, procurement, and construction ("EPC") agreement with the China National Machinery & Equipment Import & Export Corporation ("CMEC"). The total value of the contract is US$355 million and encompasses the completion of the construction of Şırnak power plant on a turn-key basis. The EPC contract will be supported with maintenance and operation agreements based on performance guarantees. Domestic staff employed by Galata Enerji is expected to take over the operations gradually after sufficient training has taken place on site.

CMEC is one of the largest Chinese companies engaged in the business of acting as the main contractor of international engineering projects and the exportation of turn-key power plants. CMEC's operations cover five continents worldwide. Other business sectors in which CMEC is active include power transmission and transformation, light industry, textiles, food, building materials, telecommunications, media, ship-building, metallurgy and mining. CMEC also has operations in Turkey and has recently completed the construction of a coal-fired power plant in close proximity to Şırnak, owned and operated by a Turkish energy conglomerate.

The construction of the plant is expected to start in the fourth quarter of 2010 and the estimated construction period is approximately thirty-six months. Galata Enerji plans to commence power generation by the beginning of 2014.

TARGET PROJECTS

Natural Gas Importation and Wholesale Trading

In June 2005, a law was adopted prohibiting BOTAŞ from undertaking any further contractual purchase commitments for natural gas and further requiring BOTAŞ to tender its existing contractual purchase commitments to the private sector until such time as its total annual imports had decreased to below 20% of annual national consumption. To date, BOTAŞ has transferred approximately four billion m^3 of natural gas in sixteen lots of 250 million m^3 of natural gas each. The management of the Company will evaluate the Group's participation in tenders for additional lots, which the Company expects to take place within the next two to three years. Besides, the Company is focusing on diversifying natural gas resources and, its subsidiary with a natural gas wholesale license, through supply agreements for pipe-line gas and LNG.

Furthermore, the Company is currently considering a potential partnership with strategic players in the natural gas market that have access to natural gas supplies, with a view to expanding the Group's natural gas business and achieving vertical integration with its retail gas distribution businesses.

Expansion of Şırnak Coal-fired Power Plant

The Global Holdings Group plans to initiate detailed reserve studies and execute drilling campaigns for the six remaining pylons located in 250 km^2 coal mine field in Şırnak, once certain progress level is achieved in relation to the development of the 270 MW power plant. It is estimated that the total coal reserves in these six pylons are approximately 150-200 million tons. The Company targets to gradually increase the capacity of the power plant up to 1,000-1,500 MW in the future and supply the additional coal required for power generation from these six pylons.

Further Licenses in Renewable Energy

Even though the Global Holdings Group's initial focus was the development of the coal-fired power plant in Şırnak, the Company recognizes the importance of creating a well-balanced and diversified power generation portfolio also consisting of high-growth, renewable energy sources in the Turkish energy sector. Therefore, the Company, in addition to its minority investment in Yeşil Enerji holding a portfolio of generation projects with a capacity of 530 MW and the two remaining generation projects under its ownership with 100 MW capacity, intends to evaluate opportunities in renewable energy including hydro, wind and geothermal generation and grow its asset base by selectively pursuing both Greenfield and brown-field investments as the opportunities arise in privatizations as well as private sector transactions.

REAL ESTATE DIVISION

Due to economic crisis, the real estate investment market has been in recession since 2008. Uncertainty over the economy's future caused decreasing demand in all segments of real estate, and the ones with serious oversupply suffered the most.

Furthermore, with the emergence of financial turmoil in 2008, credit facilities and liquidity for the acquisition or development of real estate in the United States, Western Europe and other developed markets vanished in the wake of the failure of the sub-prime mortgage and collateralized debt obligations ("CDOs") markets in the United States.

Turkish commercial banks have also stopped lending into real estate projects as they experienced continued uncertainty over the refinancing of their own syndication facilities. As a result, the real estate investment market was in a state of deadlock.

With the measures taken by the Turkish government, signs of recovery from Turkish economy are being observed. In addition to these measures, the Central Bank decreased interest rates substantially. In the second half of 2009, mortgage rates of some Turkish banks have been reduced below one percent. Markets, though slowly, have unfastened the belts for liquidity.

The economic recession caused serious slowdown in shopping center development in 2009, with the growth in gross leasable area ("GLA") slowing from 25.6 y-o-y% in 2008 to 17 y-o-y% in 2009. This slowdown, in our view, reflects the lack of additional major real estate projects in Anatolia.

In contrast, the Istanbul retail market has remained comparably strong. Total gross leasable area ("GLA") in Turkey is estimated to be 5.7 million m^2 with a further 2.5 million m^2 under construction.

İstanbul stands out with its strong pipeline development accounting for approximately 60% of the existing supply. However, delays in the development projects remain possible despite the improvement in market conditions. In line with the market slow down, the number of malls commencing operations decreased from 44 in 2008 to 26 in 2009. The number of openings in Istanbul was strong at 9 whereas the rest of Turkey recorded only 13 openings including large schemes in Anatolian cities
(source: Jones Lang LaSalle, 2009 – OnPoint-Turkey Real Estate Overview).

Retail spending has been severely impacted by the deterioration in the economy. In line with the responsive nature of the retail market, with the drop in sales, shopping mall tenants began requesting reductions in their rents which in return caused the rents to drop effectively in almost all operating malls. Rent re-negotiations are widespread (there are reports of drops as high as 30% or even 50% over the last three quarters) while incentives like fixing rents in Turkish Lira and rent -free periods are becoming more prevalent.

Anchor tenants are currently enjoying enhanced turnover deals as owners seek to secure strong brands in their schemes. In addition, heavy marketing and creative promotional activities from mall managers increased with continuous sales from retailers will help the sector rebound in a relatively short period of time.

PERA GAYRİMENKUL YATIRIM ORTAKLIĞI

The city of Istanbul is the primary driver of real estate investment in Turkey. However, there are a number of secondary hubs across the country offering great potential in terms of investment returns. Furthermore, being the first entrant to some regions within the Turkish market will encourage some investors to get out of the secure waters of traditional real estate markets and wander into the new and untouched ones. Anchor retailers such as hypermarkets, do-it-yourself ("DIY") and electronic chains have continued to show strong demand for areas with lower retail density and unique market positioning. Because of aforementioned reasons Pera REIT focused on the mixed-used projects like Sümerpark Project in Denizli and land development project in Van.

Because Turkey has a young and dynamic population with high consumption willingness, the pent-up demand is therefore still strong. The developers of new shopping centers will no longer set their sights primarily on Istanbul as was the case in the past. The demand for shopping center space is strong particularly in other metropolises.

PERA REIT AND JOINT REAL ESTATE PROJECTS

The Group's real estate portfolio development strategy has been three-pronged, focusing on investments in (i) commercial projects in İstanbul, (ii) multi-use commercial development projects, including shopping malls, offices, residential units, hotels and/or hospitals in Turkish cities where Group management have identified untapped demand for such developments, and (iii) high-end summer residence and hotel development projects in resort areas.

Two of the Group's real estate investments are held solely through Pera REIT, an ISE-listed real estate investment trust. Ownership of two other real estate investments is directly held by the Company. An interest in one further project is currently held jointly by the Company and Pera REIT.

The underlying reason for the allocation of several real estate assets of the Group under direct ownership of the Company has been the lack of existence of a REIT within the Group organization at the initial acquisition date of the relevant real estate assets. However, Company management expects to transfer the Group's entire real estate portfolio to Pera REIT in due course.

Pera REIT, like other real estate investment trusts, which benefits from incentives, including exemption from corporate tax, is subject to rigorous corporate governance regulations, and offers the most attractive real estate investment vehicle for institutional and individual investors alike. Fourteen REITs were listed on the İstanbul Stock Exchange, having an aggregate market capitalization of approximately TL 2.7 billion (US$1.8 billion) as at the end of 2009.

As at the 2009 year-end, the net asset value of Pera REIT, which trades on the İstanbul Stock Exchange under the ticker symbol "PEGYO.IS", was over US$67.3 million.

Pera REIT's real estate portfolio currently consists of three investments: Denizli Sümerpark, the REIT's first real estate investment; and the historic Vakıfhan No. VI building, which are held wholly by the REIT. The other project which is held jointly with the Company and Pera REIT is the Van mixed-use development project, of which Pera REIT and the Company owns 25% and 75%, respectively.

Vakıfhan No. VI

The Group, together with a joint venture partner, acquired the unoccupied Vakıfhan No. VI building pursuant to a restore-operate-transfer ("ROT") agreement dated 01 February 2005 with the General Directorate of Foundations of the Prime Ministry of Turkey for a period of fifteen years. Pera REIT acquired the lease rights to Vakıfhan No. VI from the Company's joint venture, and the building was transferred to Pera REIT in October 2007.

Located in the Karaköy district of İstanbul, close to the Galata Building and the Company's headquarters, Vakıfhan No. VI was originally built in 1870.

The six-storey building, which has a total indoor area of 1,700m^2 and a gross lease area of 1,500m^2, was reinforced in accordance with applicable earthquake codes and restored as offices in 2006. The building generates approximately US$200,000 rental income per annum.

Denizli Sümerpark

In February 2006, the Company and a partner acquired a tract of land having a net area of 98,418m^2 in the city of Denizli. Pera REIT purchased the Company's 50% interest in the project in October 2006, and subsequently acquired full ownership in the fourth quarter of 2007.

Located in inland south western Turkey, Denizli is a major center for textile production, as well as being in close proximity to a number of tourism sites, including Pamukkale, a thermal center famous for its white travertine terraces and home to the ruins of the ancient city Hierapolis; the thermal center of Karahayıt; and the ruins of the ancient city of Laodicea. Greater Denizli had a population of approximately 917,000 as of 2007.

The Denizli Sümerpark project envisages a mixed-use development, including commercial mall space, mid-rise block and detached residential units, a hotel complex and a hospital. It will be the first mixed-use project in the city.

The shopping mall is the leading part of Denizli Sümerpark Project.

Concept-i Design Inc. designed the shopping mall as to include one large hypermarket, one large DIY, anchor tenants and complementary fashion retailers and food court tenants. The shopping mall, with 33.500 m^2 of gross leasable area ("GLA") is conveniently located along the İzmir - Denizli highway.

As the shopping mall borders the İzmir highway, it has high visibility from the main road. There is easy access to the mall through all forms of public transportation. The shopping mall will also have 2 floors for underground parking with a capacity of 1,650 cars.

Construction of the shopping mall commenced in February 2008, and is expected to be completed in November 2010. Tesco Kipa already signed on as an anchor tenant. Tesco Kipa is the leading supermarket operator in the Aegean Region in terms of volume and brand recognition. As this Annual Report goes to print, negotiations with potential tenants are continuing.

Van Development Land

In February 2008, Pera REIT and the Company won the tender for a 16,611m^2 parcel of land located on a main commercial street in Van, south eastern Turkey.

Van is an important commercial center and a transportation hub for hides, grains, fruits, vegetables and other products, regionally and across borders with neighboring countries, including Iran, Iraq and Armenia, and is an air and ground transportation hub for surrounding cities such as Bitlis, Hakkari, Siirt and Muş.

Van is also in close proximity to a number of scenic sites, including Lake Van, Akdamar Island, and surrounding mountain peaks, as well as archaeological remnants from the Seljuk and Ottoman periods, including Hosap Castle, Sarduri Palace, and the 10th Century Church of the Holy Cross.

According to 2007 census figures, Van Province has a population of over 979,500, with the population of Van's city center numbering over 350,000. The city is also home to Yüzüncü Yıl University, which has an enrolment of over 18,000 students.

The development plan for the Van land envisages a mixed-use project encompassing a shopping center with an investment cost of US$25 million, and having a gross building area of 44,700 m^2 and an approximate gross lease area of 20,140 m^2; an underground parking with a capacity of 360 cars; and a 130-150 room international-standard four-star hotel. Van Province currently lacks a modern shopping center, while existing hotel accommodation in the city is generally outdated and caters to low and medium budget travelers. The Group's development is expected to be a landmark both in concept design and location.

OTHER REAL ESTATE PROJECTS

The Global Holdings Group owns two real estate properties apart from those held jointly with Pera REIT. Based on Company management valuations and third party appraisal reports, the total estimated value of these two properties under Company's direct ownership is approximately US$ 53 million.

The Global Holdings Group Headquarters Building

The Headquarters Building of the Group is located in Karaköy, one of the most historic and commercial districts of İstanbul. Currently, the Company and several affiliates of the Group, such as Global Securities, Global Asset Management and Pera REIT utilize the building as office space.

Galata Building

The Group and its partners acquired the historic Galata Building, situated adjacent to the Company's headquarters in the Karaköy district of İstanbul, bordering the Galata Port. Following the asset swap deal with its former partners and subject to the acquisition of property interests held by a few hold over tenants, the Company will be entitled to 100% ownership of Galata Building.

The project envisages the renovation and redevelopment of the nine-storey, 12,000m^2 property as a three-star boutique hotel.

FINANCE DIVISION

The stable economy of Turkey, together with liberalizing regulatory changes, have led to a significant influx of foreign financial institutions, resulting in increased competition within the Turkish financial services sector. Nevertheless, Company management believe that the Group maintains significant positive brand recognition within the brokerage sector which distinguishes Global Securities from other investment banking firms.

GLOBAL SECURITIES

Global Securities carries on the brokerage, research and corporate finance advisory business first established in 1990 and which brought the Company to prominence within the Turkish financial services sector among domestic retail and foreign institutional investors alike. Global Securities is a member of both the ISE and the Turkish Derivatives Exchange (Vadeli İşlem ve Opsiyon Borsası A.Ş., or "VOB").

In 2009, Global Securities ranked 12th among all brokerage firms in Turkey, with a market share of 2.45% and equity trading volume of TL23.6 billion (US$15.9 billion). Its net brokerage commissions reached a total of TL16.5 million (US$11.1 million) in 2009, compared to TL13.7 million (US$10.5 million) in 2008. Aggregate equity trading volume was TL23.6 billion (US$15.9 billion) in 2009, 36% higher than the comparable figure of TL17.4 billion (US$13.4 billion) in 2008.

Global Securities' gross operating profits increased from TL22.1 million (US$17 million) in 2008 to TL29.8 million (US$20.1 million) in 2009. The Company had an operating profit of TL4.2 million (US$2.8 million) in 2009, while the operational loss in 2008 amounted to TL4.8 million (US$3.7 million).

The Company undertook on structural changes at Global Securities throughout 2009 to reach a much leaner operation. The outcome of such measures has recently started to materialize, and profitability has been increasing significantly.

GLOBAL SECURITIES

GLOBAL PORTFÖY

GLOBAL ASSET MANAGEMENT

Global Asset Management, The Global Holdings Group's dedicated subsidiary for domestic asset management, is one of the few independent, non-banking affiliate asset management companies in Turkey.

Turkish asset management companies are generally affiliated with banks or bank-owned brokerage firms. Due to this vertical integration in the sector, penetration to pension funds, corporate clients and high-net-worth individuals are dominated by bank-owned asset management companies. Global Asset Management, in this highly competitive environment, stands as one of the largest independent asset management companies considering its asset size and client base.

As at year end 2008, Global Asset Management had been the manager of five open-end mutual funds launched by the Company since 1992. Most recently in 2009, Global Asset Management overtook the management of additional three mutual funds which were formerly founded and managed by Global Securities.

In addition to the existing funds, Global Asset Management also manages discretionary funds on a contractual basis for corporate accounts and high-net-worth individuals.

Global Asset Management, as at year end 2009, manages eight mutual funds and discretionary accounts: Total assets under management reach approximately TL55 million (US$36 million) with an increase by 53% in 2009 compared with the previous year end.

The asset size as well as the number of investors in each of the eight funds managed by Global Asset Management is listed below:

Fund	Asset Size (TL)*	Asset Size (US$)*	Number of Investors*
Global B-Type Money Market Fund	22,382,161	14,976,354	1921
Global A-Type Aktif Strateji Fund	12,986,952	8,689,831	572
Global B-Type T-Bill Fund	11,940,815	7,989,840	708
Global A-Type Piri Reis Fund	684,135	457,768	203
Global B-Type Variable Fund	571,877	382,654	109
Global A-Type Composite Fund	342,178	228,958	23
Global B-Type Variable Fund	87,172	58,328	79
Global A-Type High Dividend Equity Fund**	510,270	341,432	23

* As of March 2009
** Global A-Type High Dividend Equity Fund is converted from Global A-Type ISE100 Index

Due to continuing decrease in both nominal and real interest rates for Turkish Lira dominated assets and bank deposits, asset management business in Turkey is expected to become more popular especially among domestic individual investors. Global Asset Management is planning and repositioning itself to receive the maximum benefit from the future growth of the sector through its well-known brand name, track record and innovative management.

OTHER GROUP BUSINESSES

Diversification of the Group's investment portfolio reduces the overall business risk of the Group and over-dependence on particular areas of operation.

Although the Group focuses on investment in existing business lines and new businesses having the potential to create synergies across existing business lines and core management expertise and strengths, Company management will also assess opportunities in businesses with high expected returns, but which may have a less proximate nexus or long term relevance to existing Group businesses.

CORPORATE GOVERNANCE

The Global Holdings Group continues to pursue a corporate governance initiative launched in 2006 with a view toward formalizing and institutionalizing the governing principles of the Company and the Global Holdings Group.

Further to that review, action was initially taken to strengthen the independence of the Board by increasing its complement of non-executive members. As a result, in 2009, the Company welcomed to its Board of Directors Messrs. Saygin Narin, Gabriel Salas, and Jèròme Bayle.

While the Company continues to make annual corporate governance compliance reports to its General Assembly and to the CMB, the Corporate Governance Committee, assisted by legal counsel, has been given the mandate to prepare a comprehensive corporate governance policy which will be formally adopted by the Board in due course.

CORPORATE CITIZENSHIP

The Group maintains a strong commitment to bettering the numerous communities of which we are a part. Toward that end, from time to time, the Group contributes to, and sponsors, educational, charitable, cultural, social and sporting causes, projects and events.

In the major port city of Kuşadası, our subsidiary, Ege Ports, has undertaken numerous initiatives to benefit the community in and around the Port since commencing operations in 2003.

The Global Holdings Group has taken an active interest in creating employment opportunities and raising standards in the Turkish hospitality industry. The Company continued an educational initiative, in collaboration with the Turkish Ministry of Education, to construct a tourism training college of 14,000m^2 gross indoor area in Kuşadası for approximately US$1.2 million. The tourism college facilities will serve the Kuşadası community and environs, as well as the students of Adnan Menderes University.

Our contributions to the community also include donations of computer and other equipment to local schools; the provision of funding to assist in rehabilitating local beaches; and the provision of technical assistance to Turkish state-run institutions.

In addition to materiel and financial sponsorships, Ege Ports - Kuşadası has organized, and has made its piers and other facilities available for, various public concerts and other social, sporting and cultural events. Among such events in 2009, Ege Ports hosted a number of activities to celebrate the important Ramadan religious holiday and ensuing festival in September, when the Port welcomed over 3,500 visitors through its doors.

Ege Ports also marked Mothers' Day and Fathers' Day with the distribution of gifts at Scala Nuova, the port facility's popular shopping center. Ege Ports capped the year with its third annual fishing derby, a highlight of the winter season, and an event which attracted some 3,000 avid fishermen.

In addition to the construction of the college facilities in Kuşadası, the Company contributes to improvements in educational facilities by building dormitories for students in Refahiye, Erzincan.

Holding management believes that by engaging in philanthropic undertakings, the Group can make a valuable contribution toward promoting Turkey and improving, and fostering the growth of, the local and national economic, social, cultural and economic environment for the benefit of the Republic of Turkey and its citizens.

INTERNAL CONTROLS; RATIONALIZATION

During 2009, the Company continued to follow Group-wide risk management and internal control policies. The previously applied corporate codes of conduct are systematically followed including the internet usage restrictions, proprietary trading limits and guidelines and management reporting systems. An organization-wide company assets security awareness including information and information systems is provided.

Upon the request of the Board, the Internal Audit Team has coordinated and performed different audit assignments in 2009 in order to detect potential risks within the Group companies and Head Office Departments. The Team will be completing a broad section of internal audit assignments in 2010 according to the annual audit plan.

Accordingly, in 2009, to provide and strengthen the centralized oversight of financial reporting within the Group, the Company has launched a new reporting system, Hyperion Financial Management. This web-based reporting system provides the Company to accelerate reporting cycles and improve transparency and compliance while delivering global finance consolidation, reporting and analysis in a single, highly scalable software solution. The web based reporting will be fully in practice in 2010.

BOARD OF DIRECTORS

Under Turkish law and the Articles of Association of the Global Holdings Group, the Board is responsible for company management and approves all major decisions. The Board meets regularly and is instrumental, with the guidance of the Company's senior management, in planning the medium and long-term strategy of the Group.

The Company has, throughout its history, benefited from the knowledge and experience of its non-executive Board members representing a spectrum of financial, commercial and industrial sectors within Turkey and abroad. An important component of the Company's corporate governance initiative is to further strengthen the independence of the Board and, since December 2007, non-executive members have occupied three of seven seats on the Board. As at 31 May 2010, the Board consists of the following members:

Mehmet Kutman, Executive Chairman.
Mr. Kutman is a founding shareholder, the Chairman and the Chief Executive Officer of the Company. As well as being actively involved in business development at the Company level, Mr. Kutman serves on the boards of directors of several of the Global Holdings Group's operating subsidiaries and affiliates, including Global Port Holdings, Ege Ports, Port Akdeniz, Bodrum Cruise Port, İzmir Port and energy sector companies involved in natural gas distribution and power generation.

Mr. Kutman also serves on the board of directors of Alarko REIT (Alarko Gayrimenkul Yatırım Ortaklığı A.Ş.), an ISE-listed real estate investment trust. He is a member of TÜSİAD (the Turkish Industrialists' and Businessmen's Association) and DEİK (the Foreign Economic Relations Board).

Prior to founding the antecessor to the Company in 1990, Mr. Kutman was Project Manager at Net Holding A.Ş., the holding company of a Turkish corporate group involved in the tourism and related sectors, from 1989 to 1990. Between 1984 and 1989, he resided in the United States, where he served as Vice President at North Carolina National Bank, Sexton Roses Inc. and Philip Bush & Associates. Mr. Kutman holds a BA (Hons.) from Boğaziçi University and an MBA from the University of Texas.

Erol Göker, Executive Vice-Chairman.
Mr. Göker is a founding shareholder of the Company, and has served as Chairman of the board of directors of the finance division of the Company since its formation. He is also a member of the boards of directors of Global Port Holdings, Ege Ports and İzmir Port.

Beyond the Group, Mr. Göker sits on several committees of the İstanbul Stock Exchange and is a member of TÜSİAD.

Prior to the establishment of the Company in 1990, Mr. Göker was Head of the Capital Markets Department at Net Holding A.Ş. Previously, he spent four years at the Capital Markets Board and four years at the Ministry of Finance in the Tax Auditing Department. Mr. Göker holds a BA in Political Science and an MA in Economics both from Ankara University.

The other members of the Board are (in alphabetical order)

Ayşegül Bensel, Executive Member.
Mrs. Bensel originally joined the Board in 1999. Until the sale of Global Life Insurance in March 2007, Mrs. Bensel was Chairman of the board of directors of that entity and had served as its CEO since 2005. Mrs. Bensel has been a member of the board of directors of the finance division of the Company since its formation and is also a member of the board of directors of Global Port Holdings. Previously, Mrs. Bensel was Co-Director of Research at the brokerage business from 1998 to 1999 and Assistant Director of Research from 1993 to 1998. Prior to joining the Group as an equity research analyst in 1991, Mrs. Bensel was a manager in foreign exchange dealing in the Turkish banking sector. Mrs. Bensel holds a BA in Business Administration and Finance from Hacettepe University, Ankara.

Gregory M. Kiez, Executive Member.
Mr. Kiez joined the Board in 2005. He has been Chairman of the board of directors of Ege Ports-Kuşadası since 2003, Vice-Chairman of the board of directors of Port Akdeniz since 2006, and Chairman of Bodrum Cruise Port since 2008. He is a director of Global Port Holdings. Mr. Kiez previously held the senior executive positions of Director of International Business Development for the Company from 1997 to 1999, and Director of its Corporate Finance Department, which he founded in June 1993. Prior to that time, Mr. Kiez was a corporate and securities law attorney at Torys LLP from 1989 to 1992. Mr. Kiez read political science, Latin and English literature at Queen's University and McGill University, and holds a JD from the University of Toronto, Faculty of Law. He is a member of the Law Society of Upper Canada.

Saygın Narin, Non-Executive Member.
Mr. Saygın Narin currently works as Managing Director for the Turkish Operations of Statkraft, a Norwegian Energy Group. He headed the Energy Division of Global Investment Holdings until October 2009. Prior to joining Global Investment Holdings in 2007, Mr. Narin was employed at RWE/Thames Water based in UK and Turkey from 1999 to 2007, where he held the positions both of Finance Controller and of Director for International Operations, with responsibility for covering Asia Pacific and the Europe and Middle Eastern regions. Mr. Narin started his career at PricewaterhouseCoopers in 1997 after graduating from Istanbul's Bosporus University with an undergraduate degree in Business Administration.

Gabriel Salas, Non-Executive Member.
Mr. Gabriel Salas represents the investment firm of Ecofin Limited ("Ecofin"), a London based concern which specializes in management of investments in, and the provision of management consultancy services to investors in, global utility and infrastructure sectors. Mr. Salas' market coverage at Ecofin comprises a portfolio of power and utility undertakings in emerging markets worldwide, as well as power and utility businesses in Japan. Previously, Mr. Salas was an Associate Director at the Emerging Markets' Research Department at Bear Stearns in NYC. Mr. Salas graduated with a BSc in Electrical Engineering at the Pontificia Universidad Catolica de Santiago, where he also did postgraduate studies in theoretical physics. Mr. Salas has been a CFA charter holder since 2007.

Jerome Bayle, Non-Executive Member.
Mr. Bayle, a French National, joined the Board in September 2009. He brings over 30 years management and manufacturing experience in large multinational companies, in particular Tetra Pak of Sweden, with an emphasis on emerging markets. Mr. Bayle has established a management consulting firm, Magnetic North, Ltd. based in Istanbul that provides mentoring and consulting services to large multinational companies. The emphasis is on human resources, organizational processes and development. Mr. Bayle holds a Master's Degree in Business and Finance from France's Paris IX Dauphine University. He is married and has lived in Istanbul since 1988.

2009 Financial Summary

The Global Holdings Group's annual net profits in 2009 totaled TL 80 million, compared to a net loss of TL66.8 million in 2008. A strong operational recovery was achieved in all of the business segments in which the Company is operating. Consolidated revenues increased to TL236.6 million from TL212.1 million in 2008, representing a 12% increase. The increase in revenues excluding the results from gas distribution entities reached 57% (gas distribution operations have been presented under discontinued operations in consolidated financial statements). Port segment revenues grew by 12% in 2009, and the finance segment by 25%. The Group successfully finalized the sale of hydro assets during the first half of the year, in line with the restructuring and consolidation efforts.

Group management also successfully managed to improve operational efficiencies and overall cost control. The Group's consolidated operating expenses increased only by 2% in 2009; however, they include certain provisions and donations made, which are non-recurring and amount to TL6.9 million. Excluding such one-off expenses, there was an 8% decline in operating expenses in 2009 compared to the previous year. The Group achieved TL137.8 million revenues from certain asset sales in 2009, in line with its business strategy. However, a total of TL24 million charge was incurred in the last quarter of 2009, of which TL16.2 million was attributable to the İzmir Port tender bid bond, and certain non-cash impairment provisions on assets. The Group has decided to walk away from the tender process due to adverse market conditions, which could have been avoided if the administrative and legal proceedings against the tender had been resolved in a reasonably shorter time frame. All tender related expenditures have been written down.

In 2009, the Finance Division of the Company, together with the Port Infrastructure Division, contributed to the profitability and growth of the Global Holdings Group.

The Holding's Finance Division contributed 12.4% to gross operating revenues of the Group (as compared to 11.0% for the same period in 2008). In a difficult year, brokerage commissions were increased by an impressive 32% when compared to the previous year. In addition, the Finance Division registered treasury revenues of TL5 million, compared to a loss of TL31 million.

Global Ports Holding, which operates Ege Ports -Kuşadası, Bodrum Cruise Port and which has a 40% interest in Port Akdeniz - Antalya (subject to the completion of its acquisition of an additional 60% of Port Akdeniz), contributed 18% to the gross operating revenues of the Global Holdings Group in 2009, the same as for 2008. The Port Infrastructure Division showed a solid operational performance as expected in 2009; however, both EBITDA and net profit figures were considerably lower than the previous year, because of İzmir Port tender-related expense provisions. Furthermore, 2008 figures included negative goodwill from the Bodrum Cruise Port acquisition and non-recurring historical adjustments on duty-free revenues, without which actual consolidated operating profits of the Port Infrastructure Division would have been on a par with the previous year's results. Company management intends to grow in port operations and is considering additional cruise and cargo ports in Turkey as well as abroad. The Group is currently in talks with the remaining shareholders of Port Akdeniz to acquire their respective shareholdings in Port Akdeniz. Once the proposed transaction closes, the Group's holding in Port Akdeniz – Antalya will rise to 100%.

The Group's Energy Division contributed 59% to the gross operating revenues of the Holding, with total sales amounting to TL139.1 million (all profit and loss items in respect of gas distribution operations have been presented under "Discontinued Operations" in the consolidated IFRS financials of the Group. In this section of the Annual Report, hosever, such figures have been grossed up for representation purposes). Turnover was down by 7% when compared to 2008. Natural gas sales were slow in recovery; revenues in the energy segment were down 7% in 2009 over 2008. However, gas distribution operations are a margin business and turnover figures alone are not the sole driver of profitability. Despite the slight drop in turnover, the consolidated EBITDA loss of the gas distribution operations was reduced from TL6.5 million to TL2.7 million. (Energy division losses in 2009 include impairment provision on a hydro asset amounting to TL7 million, whereas 2008 figures included a negative goodwill gain of TL33.7 million). It should also be noted that subscription revenues are released over the life of the relevant concessions as an accounting treatment, and revenues deferred as such in 2009 amount to TL5.2 million. Adjusting for this accounting treatment which has no cash implication, consolidated gas distribution EBITDA would have been a positive TL2.6 million. Parallel with the expected recovery in the overall macroeconomic environment both globally and domestically, company management expects that new household subscriptions and natural gas consumption levels by industrial facilities will further accelerate in 2010.

Having successfully finalized the sale of hydro assets during the course of the year, in line with its restructuring and consolidation efforts, the Group will continue to consider the sale of gas distribution and certain real estate assets. Group management is concentrating on further developing certain investment activities, principally in its thermal power and port infrastructure operations, which will be the core businesses for the Company's future growth.

Financial Risk Management Objectives and Policies

A financial instrument is any contract that gives rise to the right to receive cash or another financial asset from another party (a "financial asset") or the obligation to deliver cash or another financial asset to another party (a "financial liability"). Financial instruments result in certain risks to the Group. The most significant risks facing the Group are discussed below.

Interest rate risk

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. In the case of floating rate assets and liabilities, the Group is also exposed to basis risk, which is the difference in re-pricing characteristics of the various floating rate indices, such as six months LIBOR and different types of interest. Risk management activities are intended to optimize net interest income, given market interest rate levels consistent with the Group's business strategy.

The Group uses interest rate derivatives (swaps) to manage the effects of interest rate movements on its bank loans.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from the Group's receivables from customers and investment securities. The Group's principal financial assets are cash and cash equivalents, trade and other receivables, and investment in equity and debt securities.

The Company management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

Liquidity risk

Liquidity risk arises in the general funding of the Group's activities and in the management of positions. It includes both the risk of being unable to fund liabilities at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame. The Group has access to funding sources from banks and keeps certain levels of assets as cash and cash equivalents.

The Group continuously assesses liquidity risk by identifying and monitoring changes in funding required in meeting business goals and targets set in terms of the overall Group strategy.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimizing the return.

Market risk for all subsidiaries is monitored and managed by the Company's Treasury Department. The Treasury Department uses forward transactions and option contracts to seek to minimize the possible losses from money market fluctuations. In July 2008, the Company retained an international investment bank to provide consultancy services regarding the management of market, financial and operational risks.

Foreign currency risk

Currency risk is defined as the risk that the value of a financial obligation will fluctuate due to changes in foreign exchange rates. The Group undertakes certain transactions denominated in foreign currencies and uses derivatives to manage foreign currency risk exposure.

Treasury Operations

The Company maintains a centralized Treasury Department, with three employees, which is responsible for cash management, asset and liability management and risk management.

The Treasury Department monitors the daily cash balances of the Company's subsidiaries, as well as the projected cash needs of these entities. It seeks to ensure liquidity within the Group and to manage any idle cash held by Group companies to increase the returns on these funds. To minimize effects on the Group's liquidity which may be caused by variations in demand for funding with respect to new or existing businesses, the Group has entered into ISDA-CSA (International Swap Dealer Association - Credit Support Annex) agreements with international financial institutions, and subsidiaries are encouraged to fund their primary operations through unsecured non-recourse loans, particularly short-term money market funding.

The Treasury Department plays a significant role in meetings of the Group's Asset-Liability Committee at which feasibility studies; targeted costs of funding and management of balance sheet items are debated. Asset management decisions are subject to risk limitations defined by the Company's board of directors and proprietary activities are reported regularly to the upper management of the Company to ensure that such activities are in accordance with applicable guidelines.

The Treasury Department is also responsible for managing the Group's risks. When appropriate, it enters into hedging arrangements in order to reduce the effects of fluctuations in earnings which may result from fluctuations in currency exchange rates, interest rates or other market factors. It does not engage in speculative hedging.

The Treasury Department also engages in proprietary trading activity from time to time to the extent that management identifies an opportunity to increase returns on excess cash. This includes foreign exchange and equity trading, including long and short sales and transactions in derivatives. Trades are analyzed by trader, book and by product levels to facilitate accurate performance monitoring, and the results of this analysis are reported daily to upper management of the Company. It is expected that the Group's limited proprietary trading activities will be of diminishing significance as the Group continues to grow in its core business sectors, and liquidity management will become increasingly significant.

The Global Holdings Group

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2009 AND AUDITOR'S REPORT THEREON

GLOBAL YATIRIM HOLDİNG ANONİM ŞİRKETİ
and
ITS SUBSIDIARIES

Convenience Translation into English of
Consolidated Financial Statements
As At and For The Year
Ended 31 December 2009 With
Independent Auditors' Report Thereo

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali
Müşavirlik Anonim Şirketi
19 March 2010

This report includes 2 pages of independent auditors'
report and 116 pages of consolidated financial statements
together with their explanatory notes.

GLOBAL YATIRIM HOLDİNG ANONİM ŞİRKETİ
and
ITS SUBSIDIARIES

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Global Yatırım Holding Anonim Şirketi

We have audited the accompanying consolidated balance sheet of Global Yatırım Holding Anonim Şirketi ("the Company"), its subsidiaries and joint ventures ("the Group") as at 31 December 2009 and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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

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

We did not audit the financial statements of certain subsidiaries and joint ventures as at 31 December 2009, whose statements reflect total assets constituting 20 percent; and total revenues constituting 18 percent as at and for the year ended 31 December 2009 of the related consolidated totals. Those statements were audited by other auditors whose reports have been furnished to us, and our audit report, insofar as it relates to the amounts included for those companies, is based solely on the reports of the other auditors. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Group's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2009, and of its consolidated financial performance and its consolidated cash flows for the year ended 31 December 2009 in accordance with financial reporting standards issued by the Capital Markets Board (Note 2).

Emphasis of Matter

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

As explained in Note 20, the application of the Ankara Metropolitan Municipality ("the Municipality") to liquidate the letter of guarantee amounting to USD 50.000.000 given by the Group in accordance with the specifications of "Privatization Tender of the Başkent Doğalgaz Dağıtım A.Ş. ("Başkentgaz") by the method of block sale, was prevented according to the preliminary injunction granted by the Beyoğlu Commercial Court ("Court"). The Municipality raised an objection against the preliminary injunction, which was further rejected by the Court. Following the preliminary injunction, controversy and negative clearance cases were filed by the Group for the determination of the indebtness and withdrawal of the letter of guarantee. At the court hearing dated 26 March 2009, the Court resolved to transfer the cases to Ankara Courts due to incompetence. The Group has appealed the resolution before the Court of Appeal. As at the date of this report, preliminary injunction of the Court is still in effect and the maturity of the letter of guarantee expired on 14 March 2009. In addition, the privatization right of the shares of Başkentgaz is transferred to the Republic of Turkey, Prime Ministry, Privatization Administration with the Privatization High Council's decision numbered 2009/43 and dated 2 July 2009 due to the fact that the privatization of Başkentgaz had not been completed in two years according to clauses of the Law numbered 4046. The Group has filed a lawsuit on 15 January 2010 before the Ankara Administrative Court, against the Municipality, requesting an injunction and the cancellation of the Municipality Council's resolution regarding the liquidation of the letter of guarantee given by the Group. Both the management and the legal attorney of the Group assesses that the likelihood of the cases described above to result against the Group is low.

Additional Paragraph for Convenience Translation to English

As explained in Note 2.1(a), the accompanying consolidated financial statements are not intended to present the consolidated financial position and the consolidated results of operations in accordance with the accounting principles and practices generally accepted in countries and jurisdictions other than Turkey and with International Financial Reporting Standards.

Akis Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ruşen Fikret Selamet
Partner
Istanbul, 19 March 2010

GLOBAL YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

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Consolidated Balance Sheet as at 31 December 2009

Currency: Turkish Lira ("TL")

	Notes	Audited 31 December 2009	Audited 31 December 2008
ASSETS			
Current assets		**454,685,246**	**300,540,654**
Cash and cash equivalent	6	43,387,384	32,131,697
Investments	7	37,965,716	22,538,510
Trade receivables		22,341,382	32,361,890
- Due from related parties	33	7,253,417	8,823,444
- Other trade receivables	10	15,087,965	23,538,446
Other receivables		26,478,505	35,712,368
- Due from related parties	33	19,680,121	28,006,662
- Other receivables	11	6,798,384	7,705,706
Receivables from operations in finance sector	12	16,499,341	9,385,933
Inventories	13	2,035,445	17,361,728
Other current assets	23	19,778,769	31,012,222
(Subtotal)		168,486,542	180,504,348
Assets classified as held for sale	36	286,198,704	120,036,306
Non-current assets		**365,676,336**	**512,349,430**
Trade receivables		-	45,060
- Due from related parties	33	-	26,776
- Other trade receivables	10	-	18,284
Other receivables		17,912,239	32,031,952
- Due from related parties	33	13,134,669	22,452,770
- Other receivables	11	4,777,570	9,579,182
Receivables from operations in finance sector	12	3,193,614	3,470,574
Investments	7	9,786,304	8,056,032
Invesments in equity accounted investees	14	-	16,258,862
Invesment property	15	123,795,138	110,308,086
Property, plant and equipment, net	16	63,329,615	76,773,324
Concession intangible assets, net	17	-	108,018,066
Intangible assets, net	18	69,222,315	78,025,350
Goodwill	19	40,342,730	40,363,736
Deferred tax assets	31	15,045,759	22,264,437
Other non-current assets	23	23,048,622	16,733,951
TOTAL ASSETS		**820,361,582**	**812,890,084**

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries

Consolidated Balance Sheet as at 31 December 2009

Currency: Turkish Lira ("TL") unless otherwise stated.

	Notes	Audited 31 December 2009	Audited 31 December 2008
LIABILITIES			
Current liabilities		**261,352,362**	**226,924,825**
Financial liabilities	8	38,137,974	78,148,243
Trade payables		11,638,943	44,328,268
- Due to related parties	33	-	1,039,330
- Other trade payables	10	11,638,943	43,288,938
Other payables		9,106,367	6,505,340
- Due to related parties	33	826,998	1,031,789
- Other payables	11	8,279,369	5,473,551
Liabilities due to operations in finance sector	12	18,903,426	24,668,086
Other financial liabilities	9	3,013,854	9,530,813
Income tax payable	31	322,861	22,466
Provisions	20	12,540,623	2,122,313
Other current liabilities	23	448,601	19,929,803
(Subtotal)		94,112,649	185,255,332
Liabilities directly associated with assets held for sale	36	167,239,713	41,669,493
Non-current liabilities		**172,567,958**	**278,491,045**
Financial liabilities	8	151,440,394	205,350,225
Other payables		7,314,232	29,273,830
- Due to related parties	33	16,220	2,162,240
- Other payables	11	7,298,012	27,111,590
Provision for employee termination indemnity	22	1,079,584	1,046,147
Deferred tax liabilities	31	12,733,748	16,074,197
Other non-current liabilities	23	-	26,746,646
SHAREHOLDERS' EQUITY		**386,441,262**	**307,474,214**
Total equity attributable to equity holders of the company		**284,817,986**	**207,763,659**
Paid-in-capital	24	225,003,687	225,003,687
Inflation adjustment on capital	24	34,659,630	34,659,630
Treasury shares	24	(11,565,130)	(8,004,433)
Share premium	24	174,513	174,513
Revaluation reserve	24	439,089	(3,245,190)
Foreign currency translation differences		3,732,438	6,051,988
Restricted reserves	24	1,284,711	4,076,075
Retained earnings / (Accumulated losses)	24	(48,863,751)	15,871,193
Net profit/(loss) for the period		79,952,799	(66,823,804)
Minority interest		**101,623,276**	**99,710,555**
Total Equity and Liabilities		**820361582**	**812890084**

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries

Consolidated Statement of Comprehensive Income
For the Year Ended 31 December 2009

Currency: Turkish Lira ("TL") unless otherwise stated.

	Notes	Audited 1 January- 31 December 2009	Audited and Represented(*) 1 January- 31 December 2008
Sales	25	68,176,120	38,524,769
Cost of sales (-)	25	(36,717,563)	(13,773,462)
Gross profit from trade operations	**25**	**31,458,557**	**24,751,307**
Interest, fee, premium, commision and other income	25	29,249,205	23,516,892
Interest, fee, premium, commission and other expense (-)	25	(2,606,310)	(24,123,112)
Gross profit from operations in finance sector	**25**	**26,642,895**	**(606,220)**
GROSS PROFIT	**25**	**58,101,452**	**24,145,087**
Selling and marketing expenses (-)	26	(2,453,995)	(2,326,877)
General administrative expenses (-)	26	(65,164,555)	(63,905,315)
Other operating income	28	137,839,102	43,352,147
Other operating expenses (-)	28	(14,542,188)	(9,938,090)
OPERATING PROFIT/(LOSS)		**113,779,816**	**(8,673,048)**
Share of profit/(loss) of equity accounted investees	14	(1,717,441)	(4,660,675)
Finance income	29	60,693,094	114,948,559
Finance expenses (-)	30	(85,879,203)	(174,160,633)
PROFIT/(LOSS) BEFORE TAX		**86,876,266**	**(72,545,797)**
Income tax credit /(expense)		**(1,869,840)**	**10,405,919**
- Current tax charge	31	(1,339,186)	(218,649)
- Deferred tax benefit /(expense)	31	(530,654)	10,624,568
NET OPERATING PROFIT/(LOSS) FOR THE PERIOD		**85,006,426**	**(62,139,878)**
Net loss from discontinued operations	36	(5,552,675)	(22,614,103)
NET PROFIT/ (LOSS) FOR THE PERIOD		**79,453,751**	**(84,753,981)**
Other comprehensive income			
Change in unrealized gain/(loss) on available for sale invesments		4,515,639	(4,264,210)
Change in revaluation of property, plant and equipment		-	(20,510,578)
Change in currency translation difference		(847,234)	14,559,276
Income tax relating to components of other comprehensive income	(831,360)	852,842	
OTHER COMPREHENSIVE INCOME (AFTER TAX)		**2,837,045**	**(9,362,670)**
TOTAL COMPREHENSIVE INCOME		**82,290,796**	**(94,116,651)**
Allocation of profit / (loss) for the period		**79,434,916**	**(84,753,981)**
Minority interest		(499,048)	(17,930,177)
Owners of the company		79,933,964	(66,823,804)
Allocation of comprehensive income		**82,290,796**	**(94,116,651)**
Minority interest		779,590	(31,566,227)
Owners of the company		81,511,206	(62,550,424)
Earnings per share	**32**	**0.3805**	**(0.3163)**
Earnings per share from continuing operations	**32**	**0.3936**	**(0.2636)**

(*) For discontinued operations please refer to Note 36

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and Its Subsidiaries
Consolidated Statement of Changes In Shareholders' Equity
For the Year Ended 31 December 2009
Currency: Turkish Lira ("TL")

	Paid-in Capital	Inflation adjustment on capital	Treasury shares	Share premium	Revaluation reserve	Currency translation differences	Restricted reserves	Net profit /(loss) for the period	Retained earnings/ accumulated losses	Equity attributable to equity holders of the company	Minority interest	Total
Balance at 1 January 2008	225,000,000	17,794,130	(6,694,785)	174,513	13,672,464	(7,381,701)	1,407,278	28,498,210	22,450,498	294,920,607	60,880,061	355,800,668
Total comprehensive income												
Revaluation fund, net of deferred tax	-	-	-	-	(3,411,368)	-	-	-	-	(3,411,368)	-	(3,411,368)
Impairment on property, plant and equipment	-	-	-	-	(5,748,941)	-	-	-	-	(5,748,941)	(14,761,637)	(20,510,578)
Foreign currency translation differences	-	-	-	-	-	13,433,689	-	-	-	13,433,689	1,125,587	14,559,276
Net loss for the period	-	-	-	-	-	-	-	(66,823,804)	-	(66,823,804)	(17,930,177)	(84,753,981)
Total comprehensive income for the period	-	-	-	-	(9,160,309)	13,433,689	-	(66,823,804)	-	(62,550,424)	(31,566,227)	(94,116,651)
Share capital increase	3,687	-	-	-	-	-	-	-	-	3,687	-	3,687
Transfer from retained earnings legal reserves	-	-	-	-	-	-	2,687,366	-	(2,687,366)	-	-	-
Own shares acquired	-	-	(1,309,648)	-	-	-	-	-	-	(1,309,648)	-	(1,309,648)
Transfer	-	16,865,500	-	-	-	-	-	(28,498,210)	11,632,710	-	-	-
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	-	-	-	(7,757,345)	-	(18,569)	-	(1,545,000)	(9,320,914)	(420,530)	(9,741,444)
Loss incurred from sale of a s ubsidiary without loss of control	-	-	-	-	-	-	-	-	(14,355,967)	(14,355,967)	-	(14,355,967)
Share capital increase of a subsidiary	-	-	-	-	-	-	-	-	-	-	48,635,616	48,635,616
Effect of exclusion of a subsidiary	-	-	-	-	-	-	-	-	376,318	376,318	73,140	449,458
Effect of subsidiaries acquired	-	-	-	-	-	-	-	-	-	-	22,108,495	22,108,495
Balance at 1 January 2009	225,003,687	34,659,630	(8,004,433)	174,513	(3,245,190)	6,051,988	4,076,075	(66,823,804)	15,871,193	207,763,659	99,710,555	307,474,214
Total comprehensive income												
Revaluation fund, net of deferred tax	-	-	-	-	520,714	-	-	-	-	520,714	-	520,714
Net change in fair value of available-for-sale financial assets t ransferred to profit or loss, net of tax		-	-	-	3,163,565	-	-	-	-	3,163,565	-	3,163,565
Foreign currency translation differences	-	-	-	-	-	(2,125,872)	-	-	-	(2,125,872)	1,278,638	(847,234)
Net profit for the period	-	-	-	-	-	-	-	79,952,799	-	79,952,799	(499,048)	79,453,751
Total comprehensive income for the period	-	-	-	-	3,684,279	(2,125,872)	-	79,952,799	-	81,511,206	779,590	82,290,796
Share capital increase	-	-	-	-	-	-	-	-	-	-	992,448	992,448
Transfer	-	-	-	-	-	(213,690)	(2,788,866)	66,823,804	(63,821,248)	-	-	-
Sale of subsidiary	-	-	-	-	-	-	-	-	-	-	(195,692)	(195,692)
Own shares acquired (Note 24)	-	-	(11,565,130)	-	-	-	-	-	-	(11,565,130)	-	(11,565,130)
Own shares sold (Note24)	-	-	8,004,433	-	-	-	-	-	-	8,004,433	-	8,004,433
Net gain on repurchase / sale of treasury shares	-	-	-	-	-	20,012	-	-	937,435	957,447	247,614	1,205,061
Loss incurred from sale of a s ubsidiary without loss of control, net (Note 24)	-	-	-	-	-	-	-	-	(1,851,131)	(1,851,131)	63,923	(1,787,208)
Changes in ownership interest	-	-	-	-	-	-	(2,498)	-	-	(2,498)	24,838	22,340
Balance at 31 December 2009	225,003,687	34,659,630	(11,565,130)	174,513	439,089	3,732,438	1,284,711	79,952,799	(48,863,751)	284,817,986	101,623,276	386,441,262

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries
Consolidated Statements of Cash Flows
For the Year Ended 31 December 2009
Currency: Turkish Lira ("TL") unless otherwise stated.

	Notes	31 December 2009	31 December 2008
Cash flows from operating activities			
Net profit/(loss) from continued operations before tax		86,876,266	(72,545,797)
Net loss from discontinued operations before tax		(8,371,053)	(27,097,718)
Adjustment to reconcile net profit/ (loss) net cash provided by operating activities			
Depreciation and amortization expense	27	11,692,119	11,285,675
Share of loss of equity accounted investments	14	1,717,441	4,660,675
Provision for employee termination indemnities	22	754,096	130,978
Gain on sale of investment property	25	(4,065,584)	-
Investment property held for sale	28	(5,969,670)	-
Goodwill impairment	28	-	5,870,700
Changes in shareholding percentage		-	(9,741,446)
Net loss from sale of tangible asset	28	170,977	1,594
Provision for impairment	28	12,846,430	2,920,243
Change in fair value of derivatives	9	(6,516,959)	10,690,180
Negative goodwill	28	-	(35,630,126)
Foreign exchange loss on bank borrowings		(876,211)	55,482,526
Currency translation differences		(537,704)	8,535,405
Debt provision		10,772,868	900,663
Interest expense	30	22,585,349	30,140,532
Gain on sale of associates, net of expenses	14	(18,216,196)	-
Gain on sale of subsidiary	28	(110,059,324)	(6,526,635)
Effect of unconsolidated subsidiary		-	8,978,945
Effect of change in shareholding structure		-	(4,896,668)
Doubtful receivable provision expense	26	2,703,079	231,722
Operating cash flow before changes in operating assets and liabilities		**(4,494,076)**	**(16,608,552)**
Income taxes paid	31	(1,185,987)	(972,798)
Employee termination indemnity paid		(560,487)	(618,670)
Change in receivables due to operations in trade and finance sector		(13,669,314)	38,890,846
Change in deposits under blockage		(1,581,821)	(401,750)
Change in due from related parties		(1,595,883)	(29,584,219)
Change in other receivables		5,517,405	(9,476,866)
Change in other current assets		4,959,555	(20,573,155)
Change in other non current assets		(10,940,643)	(10,534,926)
Change in inventories		(2,253,562)	233,995
Change in payables due to operations in trade and finance sector		(7,674,908)	7,138,556
Change in other payables		8,751,014	10,021,383
Change in due to related parties		(4,466,126)	2,462,689
Change in other current liabilities		(13,439,575)	9,839,861
Change in other non current liabilities		4,982,492	9,534,827
Net cash used in operating activities		**(37,651,916)**	**(10,648,779)**
Investing activities			
Investment properties	15	(12,347,382)	(70,854,566)
Cash provided from sale of investment property held for sale	25	21,500,000	-
Acquisition of property, plant and equipment	16	(22,633,345)	(31,363,445)
Acquisition of concession intangible assets	17	(6,614,022)	(22,622,241)
Acquisition of intangible assets	18	(1,641,570)	(613,923)
Capital increase in available for sale financial assets		(2,525,000)	(932,954)
Increase in available for sale financial assets		(49,989)	-
Capital increase in associates		-	(8,604,000)
Change in financial investments		(10,911,567)	57,930,108
Capital increase in minority interest		867,473	49,702,318
Acquisition of own shares		(30,797,703)	(8,004,433)
Proceeds from sale of own shares		28,414,465	6,283,523
Aqusition shares from minority interest		(5,724,020)	(58,451,133)
Proceeds from sale of subsidiary	36	142,948,729	26,056,683
Proceeds from sale of minority interest		2,444,522	25,197,831
Proceeds from sale of tangible and intangible assets		8,003,269	2,978,304
Net cash from / (used in) investing activities		**110,933,860**	**(33,297,928)**
Financing activities			
Proceeds from share capital increase		-	3,687
Interest paid		(29,761,528)	(28,751,953)
Proceeds from borrowings		32,931,744	248,145,369
Repayments of borrowings		(61,373,571)	(257,725,565)
Net cash used in financing activities		**(58,203,355)**	**(38,328,462)**
Net increase/(decrease) in cash and cash equivalents		**15,078,589**	**(82,275,169)**
Transfer to assets held for sale		**(4,597,759)**	**(63,718)**
Cash and cash equivalents at 1 January	6	**31,561,066**	**113,899,953**
Cash and cash equivalents at 31 December	6	**42,041,896**	**31,561,066**

Accompanying notes are an integral part of these consolidated financial statements.

Currency: Turkish Lira ("TL") unless otherwise stated.

1 ORGANIZATION AND NATURE OF BUSINESS

Global Yatırım Holding A.Ş. ("Global Holding" or "the Group") was established in 1990 with trade name Global Menkul Değerler A.Ş. as brokerage company in Istanbul, Turkey. On 6 October 2004, the Company changed its trade name to Global Yatırım Holding A.Ş and its field of activity into holding company. As part of its restructuring. on 2 October 2004. a new company. named Global Menkul Değerler A.Ş. 99,99% of its shares owned by the Company were established by partial de-merger in accordance with Turkish legislation. and all brokerage activities were transferred to this new company. The main operation of the Company is to participate in the capital and management of companies that operate or will operate in the fields of finance, energy, infrastructure and transportation and to minimize the volatility of its investments against economic fluctuations by handling the capital expenditure, financing, organization and administration of those companies within portfolio, while contributing to the achievement of sustainable growth and ensuring the going concern of those companies to the benefit of the national economy, and to engage in commercial, industrial and financial activities in line with these goals.

Global Holding, its subsidiaries, its joint ventures and its associates are together referred to as "the Group". As at 31 December 2009, the number of employees of the Group, excluding its associates, is 795. (31 December 2008: 864).

The Group is registered with the Capital Market Board ("CMB") and its shares have been traded on the Istanbul Stock Exchange ("ISE") since May 1995 (From May 1995 to October 2004, traded as Global Menkul Değerler A.Ş.)

The address of the registered office of the Group is "Rıhtım Caddesi No: 51 Karaköy / Istanbul".

As at 31 December 2009, the 99,99% of the shares of the Company is listed on ISE.

As at 6 August 2009 and 13 March 2008, the shareholders structure of the Group derived from list of attendants to the General Assembly Meetings is as follows:

	2009	**2008**
Mehmet Kutman	20.15	1.49
Ecofin Global Utilities Master Fund Ltd.	8.03	5.83
Ecofin Special Situations Utilities Master Fund Ltd	7.31	4.64
Ecofin Water and Power Opportunities Plc	2.22	-
Genesis Emerging Markets Fund Ltd	0.44	-
Erol Göker	0.22	0,006
Avrasya Yatırım Holding A.Ş.	-	14.65
Publicly traded shares	61.63	73.384
Total	**100**	**100**

The shareholding percentage of Mehmet Kutman is increased to 23,64% subsequent to the General Assembly Meeting dated 6 August 2009.

The nature of the operations and the locations of the "Subsidiaries" of the Group are listed below:

Subsidiaries	Location	Operations
Global Menkul Değerler A.Ş. (Global Menkul)	Turkey	Brokerage
Global Portföy Yönetimi A.Ş. (Global Portföy)	Turkey	Portfolio Management
Global Valori Mobiliare SA. (13)	Romania	Brokerage
Global Financial Products Ltd. (GFP)	Cayman Islands	Financial Investments
Global Sigorta Aracılık Hizmetleri A.Ş. (Global Sigorta)	Turkey	Insurance Agent
Hedef Menkul Değerler A.Ş. (Hedef)	Turkey	Brokerage
Global Liman İşletmeleri A.Ş. (Global Liman)	Turkey	Infrastructure Investments
Yeşil Enerji Üretim San.ve Tic. A.Ş. (Yeşil Enerji)(1)	Turkey	Electricity Investments
Ege Global Madencilik San.ve Tic. A.Ş. (Ege Global)	Turkey	Mining Investments
Mavi Bayrak Tehlikeli Atık İmha Sistemleri San.ve Tic. A.Ş.	Turkey	Waste Disposal Systems
Salıpazarı İnşaat Sanayi ve Ticaret A.Ş. (Salıpazarı)(12)	Turkey	Mining
Güney Madencilik İşletmeleri A.Ş. (Güney)	Turkey	Mining
Doğu Madencilik İşletmeleri A.Ş. (Doğu)	Turkey	Mining
Nesa Madencilik San.ve Tic.A.Ş. (Nesa)	Turkey	Mining
Vespa Enterprises (Malta) Ltd. (Vespa)	Malta	Tourism Investments
Pera Gayrimenkul Yatırım Ortaklığı A.Ş. (Pera)	Turkey	Real Estate Investments
Tora Yayıncılık A.Ş. (Tora)	Turkey	Publishing
Global Enerji Hizmetleri ve İşletmeciliği A.Ş. (Global Enerji)	Turkey	Electricity Generation
Çetin Enerji A.Ş. (Çetin) (1) (2)	Turkey	Electricity Generation
Çakıt Enerji A.Ş. (Çakıt) (1)	Turkey	Electricity Generation
Gümüşsan Enerji Elektronik Elektrik İnşaat Taah.Ltd. (1) (Gümüşsan)	Turkey	Electricity Generation
Osmanlı Enerji A.Ş. (Osmanlı) (1)	Turkey	Electricity Generation
Dağören Enerji A.Ş. (Dağören) (3) (14)	Turkey	Electricity Generation
Global Securities (USA) Inc. (4) (13)	USA	Brokerage
CJSC Global Securities Kazakhstan (4) (13)	Kazakhstan	Brokerage
Ege Liman İşletmeleri A.Ş. (Ege Liman) (5)	Turkey	Port Operation
Bodrum Liman İşletmeleri A.Ş (Bodrum Liman) (10)	Turkey	Port Operation
Torba İnşaat ve Turistik A.Ş. (Torba) (11)	Turkey	Real Estate Investments
Sem Yayıncılık A.Ş. (Sem) (6)	Turkey	Publishing
Maya Turizm Ltd. (Maya Turizm) (7)	Cyprus	Tourism Investments
Galata Enerji Üretim San.ve Tic.A.Ş. (Galata Enerji) (8)	Turkey	Electricity Generation
Doğal Enerji Hizmetleri ve İşletmeciliği A.Ş. (Doğal Enerji) (9)	Turkey	Electricity Generation
Global Depolama A.Ş. (5)	Turkey	Storage
GES Enerji A.Ş.	Turkey	Electricity Generation
Sancak Global Enerji Yatırımları A.Ş.	Turkey	Electricity Generation

(1) These companies were sold on 23 June 2009, in accordance with the share transfer agreement regarding the sale of 95% shares of Yeşil Enerji to Statkraft AS.

(2) This company was transferred to Yeşil Enerji in March 2009 and sold on 23 June 2009, in accordance with the share transfer agreement regarding the sale of 95% shares of Yeşil Enerji to Statkraft AS.

(3) The shares of this company was transferred to Global Enerji on 22 June 2009 and the company is consolidated to Global Enerji as at 31 December 2009. The legal title of "Özarsu İnşaat Elektrik Turizm San.ve Tic.Ltd.Şti" was changed as "Dağören Enerji A.Ş " on 12 Februbary 2009.

(4) These companies are consolidated to Global Menkul.

(5) These companies are consolidated to Global Liman.

(6) This company is consolidated to Tora.

(7) This company is proportionally consolidated to Pera and Vespa.

(8) This company is consolidated to Ege Global.

Currency: Turkish Lira ("TL") unless otherwise stated.

(9) This company is consolidated to Global Enerji.
(10) This company is consolidated to Global Liman as at 31 December 2009. This company was consolidated to Ege Liman as at 31 December 2008.
(11) This company is not consolidated starting from 1 January 2008 due to assignment of trustee and loss of control.
(12) The legal title of Kuzey Maden İşletmeleri A.Ş was changed as Salıpazarı İnşaat Sanayi ve Ticaret A.Ş on 27 May 2009 and the Company's operation changed as construction investments.
(13) The Group has resolved to liquidate these companies.
(14) As at 31 December 2009, this Company is classified as asset held for sale as explained in detail in note 36.

The nature of the operations and the locations of the "Joint Ventures" of the Group are listed below:

Joint Ventures	**Location**	**Operations**
Enerji Yatırım Holding A.Ş. (1)	Turkey	Energy Investments
Energaz Gaz Elektrik Su Dağıtım A.Ş. (Energaz) (2)	Turkey	Gas. Water. Elec. Investments
Gaznet Şehir Doğalgaz Dağıtım A.Ş. (3)	Turkey	Natural Gas Distribution
Çorum Doğalgaz Dağıtım ve Sanayi Ticaret A.Ş. (3)	Turkey	Natural Gas Distribution
Netgaz Şehir Doğalgaz Dağıtım A.Ş. (3)	Turkey	Natural Gas Distribution
Kapadokya Doğalgaz Dağıtım A.Ş. (3)	Turkey	Natural Gas Distribution
Erzingaz Doğalgaz Dağıtım A.Ş. (3)	Turkey	Natural Gas Distribution
Olimpos Doğalgaz Dağıtım A.Ş. (3)	Turkey	Natural Gas Distribution
Karaman Doğalgaz Dağıtım Ltd. Şti. (3)	Turkey	Natural Gas Distribution
Kentgaz Denizli Şehir Doğalgaz Dağıtım A.Ş. (3)	Turkey	Natural Gas Distribution
Aksaray Doğalgaz Dağıtım A.Ş. (3)	Turkey	Natural Gas Distribution
Aydın Doğalgaz Dağıtımı A.Ş (3)(9)	Turkey	Natural Gas Distribution
Ortadoğu Antalya Liman İşletmeleri A.Ş.(Ortadoğu Liman) (4)	Turkey	Port Operation
Anadolu Elektrik Üretim A.Ş. (Anadolu) (5)	Turkey	Electricity Generation
Akel Elektrik ve Üretim Ltd. (6)	Turkey	Electricity Generation
Düzce-Aksu Hid. El. En. El. Ürt. Sant. Ltd. Şti.(Düzce Aksu) (7)	Turkey	Electricity Generation
Bilecik Demir Çelik San.ve Tic.A.Ş. (Bilecik Demir Çelik)	Turkey	Steel & Iron Manufacture
İzmir Liman İşletmeciliği A.Ş (İzmir Liman) (8)	Turkey	Port Operation

(1) As at 31 December 2009, this company is transferred to asset held for sale as explained in detail in note 36.
(2) This company is consolidated to Enerji Yatırım Holding A.Ş.
(3) These companies are consolidated to Energaz.
(4) This company is consolidated to Global Liman.
(5) This company is consolidated to Yeşil Enerji. Yeşil Enerji increased its share in this company to 99% on 23 June 2009 and this Company was sold in accordance with the share transfer agreement regarding the sale of 95% shares of Yeşil Enerji to Statkraft AS made at the same date.
(6) This company is consolidated to Anadolu and was sold on 23 June 2009 in accordance with the share transfer agreement regarding the sale of 95% shares of Yeşil Enerji to Statkraft AS.
(7) This company is proportionally consolidated to Osmanlı and is proportionally consolidated to Global Yatırım Holding A.Ş., since it is excluded from the share transfer agreement with respect to the sale of 95% shares of Yeşil Enerji to Statkraft AS.
(8) This company is proportionally consolidated to Global Yatırım Holding A.Ş and Global Liman.
(9) Energaz took over % 99,99 portion of Aydıngaz shares from STFA Yatırım Holding with the approval of EMRA numbered 2013/7 and dated on August 2009.

The nature of the operations and the locations of the "Associates" of the Group are listed below:

Associates	**Location**	**Operations**
Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş. (1)	Turkey	Real Estate Investments
Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş. (1)	Turkey	Tourism Investments

(1) The shares of the Group at these companies were sold to Alta Investments Real SP SLU at 31 March 2009.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Preparation

(a) Basis of Preparation of Consolidated Financial Statements

The accompanying consolidated financial statements of the Company are prepared in accordance with the Capital Markets Board ("CMB") communiqué "Communiqué on Financial Reporting Standards in Capital Market" (Communiqué), published in the Official Gazette dated 9 April 2008 and numbered 26842, in accordance with the fifth clause of the Communiqué, the Companies apply International Accounting/Financial Reporting Standards ("IAS/IFRS") accepted by the European Union. In accordance with the Communiqué Temporary Clause 2, it has been stated that IAS/IFRS prescribed by the International Accounting Standards Board (IASB) are applied until the differences between the IAS/IFRS accepted by European Union and IAS/IFRS prescribed by IASB are declared by the Turkish Accounting Standards Board ("TASB"). The Company prepared its consolidated financial statements for the year ended 31 December 2009, in accordance with IAS/IFRS prescribed by IASB. The consolidated financial statements and notes to the financial statements are presented in accordance with formats proposed and included the compulsory information as declared by CMB on 17 April 2008 and 9 January 2009.

The Company, its subsidiaries and its joint ventures which are incorporated in Turkey, maintain their books of accounts and prepare their statutory financial statements in Turkish Lira (TL) in accordance with the regulations on accounting and reporting framework and accounting standards promulgated by the Turkish Capital Market Board (for Global Yatırım Holding A.Ş., Global Menkul, Pera and Hedef), and Turkish Commercial Code and Tax Legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries maintain their books of accounts in accordance with the laws and regulations in force in the countries where they are registered. The consolidated financial statements are based on the statutory records and with adjustments and reclassifications for the purpose of fair presentation in accordance with the financial reporting standards promulgated by CMB.

Consolidated financial statements are prepared based on historical cost except financial assets measured at fair value and investment properties measured at fair value. Methods that are used for measurement of fair value are explained in Note 35.

The consolidated financial statements were authorized for issue by the Board of Directors of the Company on 19 March 2010. Although there is no such intention, the General Assembly and certain regulatory bodies have the power to amend the statutory financial statements after issue.

The differences between the accounting principles promulgated by CMB, accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and IFRS have influence on the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the consolidated financial position and consolidated results of operations in accordance with the accounting principles generally accepted in such countries and IFRS.

(b) Functional and Presentation Currency

The presentation and functional currency of the Group is Turkish Lira (TL).
Effective from 1 January 2005 concurrent with the removal of six zero digits, the new currency unit of Turkey was introduced as New Turkish Lira (YTL). The Government resolved to remove the "New" phrase in the local currency unit effective from 1 January 2009. According to the figures as at 31 December 2008 and the comparative figures for the prior year have been presented in TL, using the conversion rate of YTL 1= TL 1.

US Dollars is significantly used in the operations of the subsidiaries, Ege Liman, GFP, Vespa and joint venture of the Company, Ortadoğu Liman, and has a significant effect on the operations. Therefore, US Dollars has been determined as the functional currency of Ege Liman, Ortadoğu Liman, GFP and Vespa in line with IAS 21 - The Effects of Changes in Foreign Exchange Rates. The tariffs of the subsidiary of the Company, Bodrum Liman, are determined based on Euro which has a significant effect on the operations of Bodrum Liman. Therefore, Euro has been determined as the functional currency of Bodrum Liman in line with IAS 21.

(c) Reclassifications to 2008 Consolidated Financial Statements

In order to be in conformity with the current period, the Group has made several reclassifications to the consolidated financial statements as at and for the year ending 31 December 2008. These reclassifications comprised the following:

1) Receivables amounting to 6,123,811 TL presented in due from related parties have been reclassified to other trade receivables.
2) Receivables amounting to 45,646 TL presented in other trade receivables have been reclassified to other receivables, and advances given amounting to 244.799 TL have been reclassified to other current assets.
3) Receivables from Torba amounting to 4,975,032 TL presented in other current receivables have been reclassified to long term other due from related parties.
4) Certain assets amounting to 411,262 TL presented in investment property have been reclassified to other current assets.
5) Certain assets amounting to 291,597 TL presented in intangible assets have been reclassified to tangible assets.
6) Payables to other related parties of joint ventures presented in trade payables due to related parties amounting to 533,331 TL have been reclassified to other trade payables.
7) Other payables to other related parties of joint ventures presented in other payables due to related parties amounting to 1,298,901 TL have been reclassified to other payables.
8) Tax and social security payables and payables to personel amounting to 930,001 TL and 14,949 TL respectively, presented in liabilities due to operations in finance sector have been reclassified to other payables.
9) Long term other payables to other related parties of joint ventures presented in long term other payables due to related parties amounting to 7,103,691 TL have been reclassified to long term other payables.
10) Interest expense on customer loans of have been included in finance expenses amounting to 3,190,589 TL have been reclassified to interest, fee, premium, commission and other expenses.

(d) Basis of Consolidation

As at 31 December 2009 and 2008, the consolidated financial statements include the financial statements of the subsidiaries, joint ventures and associates of Global Yatırım Holding A.Ş.

(i) Subsidiaries

Subsidiaries of which the Group has the power to govern the financial and operating policies are consolidated in the accompanying consolidated financial statements if;

(a) the Group has the power over 50% of the voting rights acquired through shareholding interest hold either directly or indirectly.

(b) the Group has the power and authority to govern the financial and operating policies of the Group. so as to obtain benefits from its activities, although the Group does not own 50% of the voting right.

This power to control is evidenced when the Group is able to govern the financial and operating policies of an enterprise so as to benefit from its activities. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

As at 31 December 2009 and 2008, the subsidiaries in which the Group owns majority shareholding and/or effectively controls their operations with their corresponding controlling rates are given below:

	31 December 2009 (%)	**31 December 2008 (%)**
Global Menkul Değerler A.Ş.	99.99	99.99
Global Portföy Yönetimi A.Ş.	99.90	99.90
Global Valori Mobiliare SA	99.47	99.47
Global Financial Products Ltd.	100.00	100.00
Global Sigorta Aracılık Hizmetleri A.Ş.	99.99	99.99
Hedef Menkul Değerler A.Ş.	97.52	97.52
Global Liman İşletmeleri A.Ş.	99.99	99.99
Global Securities (USA) Inc.	99.99	99.99
CJSC Global Securities Kazakhstan	99.99	99.99
Ege Liman İşletmeleri A.Ş.	72.50	72.50
Bodrum Liman İşletmeleri A.Ş	60.00	43.50
Yeşil Enerji Üretim San.ve Tic.A.Ş.	-	99.99
Gümüşsan Enerji Elektronik. Elektrik İnşaat Taah. Ltd.	-	99.99
Ege Global Madencilik San.ve Tic. A.Ş.	84.99	84.99
Çetin Enerji A.Ş.	-	99.99
Mavi Bayrak Tehlikeli Atık İmha Sistemleri San.ve Tic.A.Ş.	94.40	94.40
Salıpazarı İnşaat Sanayi ve Ticaret A.Ş.	99.99	99.99
Güney Maden İşletmeciliği A.Ş.	99.99	99.99
Doğu Maden İşletmeciliği A.Ş.	99.99	99.99
Nesa Madencilik San.ve Tic.A.Ş.	99.99	99.99
Çakıt Enerji A.Ş.	-	99.93
Vespa Enterprises (Malta) Ltd.	99.93	99.93
Maya Turizm Ltd.	100.00	100.00
Galata Enerji Üretim ve Ticaret A.Ş.	50.99	50.99
Global Enerji Hizmetleri ve İşletmeciliği A.Ş.	99.99	99.99
Tora Yayıncılık A.Ş.	96.00	96.00
Osmanlı Enerji A.Ş.	-	99.96
Sem Yayıncılık A.Ş.	65.00	65.00
Pera Gayrimenkul Yatırım Ortaklığı A.Ş.	28.15	28.21
Doğal Enerji Hizmetleri ve İşletmeciliği A.Ş.	99.99	99.99
Dağören Enerji A.Ş.	70.00	70.00
Global Depolama A.Ş.	99.99	99.99
GES Enerji A.Ş.	99.99	99.99
Sancak Global Enerji Yatırımları A.Ş.	99.99	99.99

Currency: Turkish Lira ("TL") unless otherwise stated.

A Share Transfer Agreement ("Agreement") has been signed on 23 June 2009. between the Group and Statkraft AS. established in Norway. with respect to the sale of the shares owned by the Group that represents 95% of the share capital of Yeşil Enerji. Pre-conditions are met and necessary approvals is obtained from Energy Market Regulation Authority ("EMRA") and other approval authorities.

The Group directly owned 99.99% of the share capital amounting to TL 17.000.000 composed of 17.000.000 number of shares. of Yeşil Enerji. and 100% of its share capital through its shareholders and its key management personnel. Shares that are subject to sale are 16.500.000 shares with a nominal value of TL 16.500.000 ("Sale Shares ").

As at 23 June 2009. Sale Shares that are explained in Note 36 are transferred and handed over to Statkraft AS. The remaining shares (5%) after the sale are presented in financial investments with its cost value (Note 7). in the consolidated financial statements.

(ii) Joint ventures and associates

Associates are those entities. in which the Group has significant influence. but not control. over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control. and significant influence over the financial and operating policies. Joint ventures are accounted for using the proportionate consolidation method. The consolidated financial statements include the Group's proportionate share of the enterprises' assets. Liabilities. revenues and expenses with items of a similar nature. Under the equity method. the investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of net assets in the associate.

When the Group's share of losses exceeds its interest in an associate. the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. If the associate subsequently reports profits. the share of the profits. only after its share of losses not recognized. is recognized in the financial statements.

As at 31 December 2009 and 31 December 2008. the joint ventures directly and indirectly owned by the Group with their corresponding controlling rates are given below:

	31 December 2009 (%)	**31 December 2008 (%)**
Enerji Yatırım Holding A.Ş.	49.99	49.99
Energaz Gaz Elektrik. Su Dağıtım A.Ş.	26.23	26.49
Aksaray Doğalgaz Dağıtım A.Ş.	26.22	26.49
Aydın Doğalgaz Dağıtımı A.Ş	26.23	-
Kentgaz Denizli Şehir Doğalgaz Dağıtım A.Ş.	23.61	23.84
Gaznet Şehir Doğalgaz Dağıtım A.Ş.	19.66	19.86
Netgaz Şehir Doğalgaz Dağıtım A.Ş.	23.59	23.83
Erzingaz Doğalgaz Dağıtım A.Ş.	23.61	23.84
Olimpos Doğalgaz Dağıtım A.Ş.	23.61	23.84
Karaman Doğalgaz Dağıtım Ltd. Şti.	23.61	23.84
Çorum Doğalgaz Dağıtım ve Sanayi ve Ticaret A.Ş.	7.87	7.94
Kapadokya Doğalgaz Dağıtım A.Ş.	16.52	16.69
Anadolu Elektrik Üretim San. Tic. A.Ş. (Anadolu)	-	47.60
Akel Elektrik Üretim San. Tic. A.Ş.	-	46.65
Ortadoğu Antalya Liman İşletmeleri A.Ş.	39.80	39.80
Düzce-Aksu Hid. El. En. El. Ürt. Sant. Ltd. Şti.	39.98	39.98
Bilecik Demir Çelik San.ve Tic.A.Ş.	39.99	39.99
İzmir Liman İşletmeciliği A.Ş.	46.00	46.00

As at 31 December 2009 and 31 December 2008, the associates of the Group accounted under the equity method and their corresponding controlling percentages are given below:

	31 December 2009	31 December 2008
Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş.	-	20.00
Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş.	-	20.00

In accordance with the agreement dated 31 March 2009, the Group has sold its 20% and 20% shares in Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş. and Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş. respectively, to the other shareholders of these investments in associates. In accordance with the same agreement, the Group has acquired 311 real estates in Veli Alemdar Han with a fair value of TL 51,935,000, located in Karaköy, in respect of the receivables amounting to TL 21,714,553 and cost of investments in associates amounting to TL 14,541,421.

(iii) Available for sale financial assets

Equity securities that the Group owns either directly or indirectly owns less than 20% of the shares, that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are carried at cost, less permanent impairment losses disclosed as available for sale financial assets at consolidated financial statements. As at 31 December 2009 and 31 December 2008, Kentgaz A.Ş. and Medgaz A.Ş., which the Group owns 49.99% direct or indirect shareholding and are immaterial to the consolidated financial statements, and Torba İnşaat ve Turistik A.Ş., which the Group owns 80% shares but is not controlled by the Group, are not consolidated and are disclosed as available for sale financial assets, carried at cost less any impairment losses. Kentgaz A.Ş. and Medgaz A.Ş. are immaterial to the consolidated financial statements since portion of their assets is 0.03% in the consolidated assets and sales revenue of these companies do not exist. As at 31 December 2009, Kentgaz A.Ş. and Medgaz A.Ş. are presented as assets held for sale.

(iv) Special purpose entities

The Group has established a special purpose entity ("SPE") to accomplish a narrow and well defined objective such as securitization of particular assets, or the execution of specific borrowing or lending transactions. A SPE is consolidated if. based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE. SPE controlled by the Group was established under terms that impose strict limitations on the decision-making powers of the SPE's management and that result in the Group receiving the majority of the benefits related to the SPE's operations and net assets. being exposed to risks incident to the SPE's activities, and retaining the majority of the residual or ownership risks related to the SPE or its assets. The Group established an SPE in 2007 namely, Apogee Investments Ltd. located in Cayman Islands to invest in its own notes as a result of the loan participation notes borrowed from Deutsche Bank AG Luxembourg branch. Such entity is consolidated as at 31 December 2008 since the main purpose of the entity was to invest in Group's notes in the market. All notes have been purchased from the entity in 2009 and therefore such entity is not consolidated as at 31 December 2009.

(v) Consolidation adjustments

Subsidiaries are consolidated by using the full consolidation method. Therefore, the carrying value of subsidiaries is eliminated against the related shareholders' equity. The equity and net income attributable to minority shareholders' interests are shown separately in the consolidated balance sheet and statement of comprehensive income. Intra-group balances, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(vi) Transactions with non-controlling interest

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. For purchases from minority interests. the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is deducted from equity. Gains or losses on disposals to minority interests are also recorded in equity. For disposals to minority interests, differences between any proceeds received and the relevant share of minority interests are also recorded in equity.

(e) Changes in Accounting Policies

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those of the accounting policies adopted in the consolidated financial statements as at 31 December 2008, except for the adoption of new standards and applications effective from 1 January 2009 and stated below.

The new standards which are effective as at 1 January 2009 and have an effect on the Group's consolidated financial statements and changes and interpretations of current standards are stated below:
• IFRS 8 – Determination and presentation of operating segments
• IAS 1 – Presentation of financial statements
• IFRS 7 "Financial Instruments" – Disclosures (Amendment)
• IAS 40 – Investment Propery Under Development

i) Determination and presentation of operating segments

As at 1 January 2009, the Group determines and presents operating segments based on the information that is internally provided to the Group management. This change in accounting policy is due to the adoption of IFRS 8 "Operating Segments". Previously, operating segments were determined and presented in accordance with IAS 14 "Segment Reporting".

Comparative segment information has been represented in conformity with the transitional requirements of this standard. Since the change in accounting policy only impacts presentation and disclosure, there is no impact on earnings per share.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Group management to make decisions about resources to be allocated to the segment and assess its performance, and for which financial information is available.

Segment results that are reported to the management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

ii) Presentation of financial statements

The Group has applied revised IAS 1 "Presentation of Financial Statements (2007)", which became effective as at 1 January 2009. As a result, the Group presents all owner changes in equity in the "Consolidated Statement of Changes in Shareholders Equity"; whereas all non-owner changes in equity are presented in the "Consolidated Statement of Comprehensive Income". The Group prefers to present period profit/loss and other comprehensive income in a single "Consolidated Statement of Comprehensive Income".

Comparative information has been re-presented. Since the change in accounting policy only impacts presentation, there is no impact on earnings per share.

iii) IFRS 7 "Financial Instruments" – Disclosures (Amendment)

IFRS 7 has been amended to enhance disclosures about fair value measurement and liquidity risk. IFRS 7 now requires instruments measured at fair value to be disclosed by the source of the inputs in determining fair value, using three level hierarchy. Disclosures also require a full reconciliation of level three instruments and transfers between level one and level two. The minimum liquidity risk disclosures of IFRS 7 have also been amended. The Group presents explanations for such amendment in Note 35.

Comparative information has been represented. Since the change in accounting policy only impacts presentation, there is no impact on earnings per share.

iv) IAS 40 – Investment property

In 2009, according to revisions to IAS 40 "Investment Property", when the use of property changes from owner-occupied to invest investment property, the property is remeasured to fair value and reclassified as investment property. Property that is being constructed for future use as investment property is accounted for at fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. Otherwise, property is measured by cost method in accordance with IAS 16- "Property, Plant and Equipment". Since the change in accounting policy only impacts presentation, there is no impact on basic and earnings per share.

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2009, and have not been applied in preparing these consolidated financial statements. None of these will have an effect on the consolidated financial statements of the Group except for the following:

According to revised IFRS 3 "Business Combinations", the definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations and broadened the circumstance of giving information. Revised IFRS 3 is valid for the following periods after 1 July 2009 and it is not expected to have any impact on the consolidated financial statements for this year. The Group has the opportunity to apply that earlier if the Group applies IAS 27 "Consolidated and Separate Financial Statements" in the same period. Revised IFRS 3, which becomes mandatory for the Group's 2010 consolidated financial statements, is expected to have impact on the consolidated financial statements if there occur business combinations in the following periods.

Amended IAS 27, requires accounting for changes in ownership interests by the Company in a subsidiary, while maintaining control, to be recognized as an equity transaction. The revised standard is valid for the following periods after 1 July 2009 and it is not expected to have any impact on the consolidated financial statements for this year. The Group has the opportunity to apply earlier if the Group applies IFRS 3 in the same period. The amendments to IAS 27, which become mandatory for the Group's 2010 consolidated financial statements, are expected to have an impact in the calculation of non-controlling interest on the consolidated financial statements.

IFRS 9 "Financial instruments " has been issued on November 2009, by the IASB as first step in its project to replace IAS 39 "Financial Instruments: Recognition and Measurement"

IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial assets. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues to apply.

The amendment is effective for annual periods beginning on or after 1 January 2013, although entities are permitted to adopt them earlier. Prior periods need not to be restated, if an entity adopts the standart for reporting periods beginning before 1 January 2013. The Group evaluates the impact of new standard in its 2010 consolidated financial statements.

(f) Netting/Offsetting

The Group's financial assets and liabilities are offset and the net amount is presented in the consolidated balance sheet if and only if there is a legally enforceable right to set off the amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.2 Summary of Significant Accounting Policies

(a) Revenues

(i) Service and commision revenue

The Group receives commissions for providing services with brokerage services and asset management services, and recognizes such commissions as income as the services are rendered. Other service and commission revenues comprised of interest received from customers, portfolio management commissions and other commissions and consultancy services.

(ii) Portfolio management fees

Fees charged for management of customer portfolios at capital markets are recognized as income at the end of each month.

(iii) Gain on trading of securities

Gains / losses on trading of securities are recognized in profit or loss at the date of the related purchase/sale order.

(iv) Natural gas sales

Revenue from the sale of natural gas comprise of the revenues from the sale of individual and corporate subscribers. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the subscribers and natural gas have been consumed by the related subscriber. In addition, natural gas distributed but not billed is accrued at each reporting period. Deferred prepaid sales have been recognized as revenue as natural gas have been consumed by the subscriber. Transfer of risk and rewards changes as to the periods of the consumption of natural gas by subscribers. Net sales revenue is disclosed less sales returns.

(v) Connection service fees

Subscriber connection fee represents the project labor, material, control and approval expenditures per subscriber needed to connect the distribution network including the gas meters to the internal facilities of the subscriber. The Group accounts the connection fees when the service is provided and recognizes the income in profit or loss during the license period. Connection fee revenues change as to the periods when the connection service is provided to the subscribers and are disclosed net of sales returns.

(vi) Construction contracts

The Group accounts revenues and costs from construction services related with the construction and renewal of the infrastructure network in accordance with IAS 11 "Construction Contracts within the context of IFRIC 12 –Service Concession Arrangements". In practice, the Group is unable to separate the margin attributable to the construction phase of its concession agreements from the margin attributable to the operation phase. since there is no publicly available market data regarding the fair value of such margin. Consequently, revenue recognized during the construction phase is limited to an amount equal to the costs incurred.

(vii) Port administration services

Port administration revenues comprise of services provided to ships and motorboats (pilotage, tugboat rents, passenger landing fee, etc), cargo handling fees (general cargo, dumping, container), rental income from shopping centers and "duty free shop".

(viii) Goods sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

(ix) Other service revenue and other sales

Rent income is accounted for on accrual basis, interest income is accounted for using effective interest method and dividend income is recognized on the date the Group's right to receive the payment is established.
Other service revenues and other sales are presented on profit or loss on accrual basis.

(b) Expenses

Expenses are accounted for on accrual basis. Cost of sales and operating expenses are accounted in the period when incurred. Operational lease expenses are recognized in profit or loss on a straight line basis over the lease term (Notes 25, 26 and 28).
Interest income and expenses

Interest income and expense are accrued by using the effective interest method or applicable variable interest rate. Interest income or expense arise from the difference between the initial cost of an interest bearing financial instrument and the value of the instrument discounted to its present value at the date of the maturity or the premium or discount, discounted to present value.

(c) Inventories

(i) Inventories

Inventories are valued by using the weighted average method. Inventories are stated at the lower of cost and net realizable value. Cost incurred in bringing each product to its present location and conditions are included in the cost of inventory. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Trading property

Trading properties held by subsidiaries that operate in real estate sector are classified as inventories. Trading property is stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price less all estimated costs to completion.

(d) Investment Property

Investment property is a land, building or part of a building or both held (by the owner or by the lessee under a finance lease) to earn rentals of for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business.

Investment properties are measured initially at cost. Transaction costs are included in the initial measurement. The fair value of investment property is the price at which the property could be exchanged or liability is paid between knowledgeable, willing parties in an arm's length transaction. Subsequent to initial recognition, investment properties are measured in accordance with fair value model or cost model and applied to all investment properties. Group measures its investment properties by using the fair value model.

When the fair value of investment property under construction becomes able to be measured reliably, it is started to be measured at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property shall be accounted for using the cost model in accordance with IAS 16.

Expenses incurred during the acquisition and construction of these assets and subsequent expenditures are capitalized if it is probable that they will increase the future economic benefits obtained from that asset.

Borrowing costs directly attributable to the investment properties in progress are included in the cost of the investment property. Expenses are capitalized from the date they have been incurred to the date the asset is available of use. If the cost of the investment properties in progress are lower than its recoverable value, an impairment loss is provided. Capitalization rate is the average of the current interest rates of the financial liabilities attributable to the investment properties in progress and the general funding made for these assets.

(e) Property, Plant and Equipment

Property, plant and equipment of the subsidiaries and joint ventures that operate in Turkey and acquired before 1 January 2005 are stated at restated cost until 31 December 2004 less accumulated depreciation and permanent impairment losses. Property, plant and equipment of such entities acquired after 1 January 2005 are stated at cost, less accumulated depreciation and permanent impairment losses. The cost of an item or property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating and the interest expense incurred during the investment period, related with the funds borrowed at the acquisition of the property, plant and equipment. Property, plant and equipment of the foreign operations which are denominated in the original currencies of those operations are stated at cost, less accumulated depreciation and accumulated impairment losses and are translated to TL by using the exchange rate ruling at the balance sheet date.

(i) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that they will increase the future economic benefits obtained from that asset. All other costs are recognized in profit or loss are expensed as incurred.

(ii) Depreciation

Depreciation is recognized in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment based on the date of acquisition or the assembly dates. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated since the useful lives are considered to be infinite. The depreciation rates used by the Group is as follows:

Buildings	2 %
Machinery and equipment	2-50 %
Motor vehicles	20-33.33 %
Furniture and fixtures	2-50 %

(iii) Derecognition

The gain or loss arising from the disposal of an item of property, plant and equipment is recognized in profit or loss and related cost and accumulated depreciation is derecognized accordingly.

(f) Intangible Assets

Intangible assets comprise of port usufruct rights, licenses of Hydroelectric Power Stations ("HPS"), computer software, Vakıf Han building usage rights and other intangible assets. Intangible assets acquired before 1 January 2005 are stated at restated cost until 31 December 2004 less accumulated amortization and accumulated impairment losses. Intangible assets acquired after 1 January 2005 are stated at cost less accumulated amortization and permanent impairment losses. Licenses for HPS are disclosed as rights.

(i) Amortization

Amortization is recognized in profit or loss on a straight line basis over the estimated useful lives of intangible assets.

The amortization rates applied by the Group is as follows:

Port usufruct rights	2.08-5 %
Software	7-33.33 %
Other intangible assets	6.66-33.33 %
HPS licenses	2.02-2.57 %

(g) Goodwill

Effective from 1 January 2005, according to IFRS 3, the excess of cost of the total consideration over the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired in a business combination is recognized as goodwill. Goodwill is not amortized and is tested for impairment annually or more often when the circumstances indicate that the goodwill is impaired.

When the cost of the acquisition is lower than the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired business, the difference is recognized as income (negative goodwill).

(h) Concession Intangible Assets

International Financial Reporting Interpretation Committee ("IFRIC") interpretation number 12 "Service Concession Agreements" ("IFRIC 12") was published on 30 November 2006 to be adopted for the periods starting from 1 January 2008. The Group applied IFRIC 12 starting from 1 January 2008 in the consolidated financial statements due to the following reasons:

(i) The subsidiaries of Energaz have the rights and obligations to distribute natural gas among their operation district, in accordance with the distribution licenses accredited by the EMRA.

(ii) EMRA regulates and controls the operations of the Group entities, the infrastructure, beneficiaries of the services provided and the initial price of the services provided. In accordance with the license agreements, the entities have to provide not only natural gas distribution service to every customer applying to connect to natural gas network, but also building, managing, maintaining and expanding the infrastructure. In addition, license agreements sets the initial unit service and amortization fee to be levied by the entities as maximum fees that are to be applied in the following eight years effective from the initiation of the license agreements and regulates fee revisions over the period of license agreements.

(iii) In accordance with "Natural Gas Market Law" dated 25 May 2007 and numbered 4646, companies having the gas distribution license, are subject to articles either written in this legislation or declared by EMRA. According to this law, if the license is not renewed at the end of license period. EMRA has the right to open bids to deliver distribution license together with the right to use the existing infrastructure to a new company. In this case, the infrastructure will be sold and sale amount will collected by EMRA which will pay such amount to the previous holder of the distribution license. Moreover, companies has the right to sell distribution network to another legal entity before the end of the service concession agreement, nevertheless such sale is subject to EMRA approval and is nullified without the approval of EMRA. These conditions indicates that EMRA controls significant residual interest in the infrastructure both within the concession period or at the end of the concession period.

Infrastructure within the scope of IFRIC 12 is not recognised as property, plant and equipment of the operator because the contractual service arrangement does not convey the right to control the use of the public service infrastructure to the operator. The operator has access to operate the infrastructure to provide the public service on behalf of the grantor in accordance with the terms specified in the contract.

Under the terms of license agreement within the scope of IFRIC 12, the Group acts as a service provider. The operator constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time.

The Group recognises and measures revenue in accordance with IAS 11 "Construction Contracts" and IAS 18 "Revenue" for the services it performs. If the operator performs more than one service (i.e. construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable shall be allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable. The Group applies IAS 11 for the revenue and costs relating to construction or upgrade services and IAS 18 for the revenue and costs relating to operation services.

The Group recognizes an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. The right to collect fee from the public service users is unconditional to collect cash as it is dependent of the condition that the public uses the service.

Amortization is recognized in profit or loss as depreciation and amortization expenses under cost of sales, by using straight-line method over the license period. The amortization rates used by the Group is between 3% and 5%.

(i) Financial Instruments

(i) Classification

The financial assets of the Group comprise cash and cash equivalents, financial investments, trade receivables, receivables from operations in finance sector, due from related parties and other receivables. Financial liabilities are classified as loans and borrowings, trade payables, due to related parties, liabilities due to operations in finance sector, other financial liabilities and other liabilities. "Financial assets held for trading"; a financial instrument is classified as at fair value through profit or loss if it is held for the purpose of gaining profit through changes in prices in short term period or if it is part of a portfolio whose strategy is to obtain profit in short term irrespective of the reason of the acquisition.

"Available for-sale financial assets", are comprised of financial assets other than loans and borrowings lent by the Group, receivables and financial assets held for trading. These assets are presented in non-current assets in accordance with the intention of the Group management to hold these assets more than twelve months or if there will not be a necessity of capital increase through a sale of these assets; otherwise they are presented in current assets.

"Loans and receivables" are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are presented in current assets if their maturities are less than 12 months. otherwise presented in non-current assets. The loans and receivables comprised of cash and cash equivalents excluding cash on hand, trade receivables, receivables from operations in finance sector and other receivables. The reclassification of the financial assets are performed when acquired and reviewed periodically by the Group.
"Ordinary shares" are classified as equity.

(ii) Recognition

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position if and only if, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iii) Measurement

Non-derivative financial instruments;

Non-derivative financial assets comprise of trade and other receivables, cash and cash equivalents, investments, loans and borrowings, trade and other payables, due to / due from related parties and non-current liabilities.

Cash and cash equivalents comprise of cash, deposits with maturity periods of less than three-months and highly liquid investments with maturity periods of less than three-months and having no impairment risk exposure. Cash and cash equivalents are carried at cost due to their short term nature.

Trade receivables and payables are initially recognized at fair value plus transaction costs that are directly attributable to the acquisition. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate of any amount difference between the initial amount recognized and the maturity.

Financial assets held for trading are recognized in the consolidated balance sheet at fair value and subsequently measured at fair value. Gains and losses arising from the measurement is recognized at profit or loss.

Available for sale financial assets are measured at fair value subsequent to recognition. Available for sale financial asstes that have a quoted market price are measured at fair value. Changes in fair value of the available for sale financial statements are accounted in the statement of comprehensive income and "revaluation reserve" under equity, net of deferred tax. Changes in the fair value of the available for sale financial assets, which are debt instruments, are calculated as the difference between the fair value at the balance sheet date and discounted values. Interests calculated by using the effective interest rate are recognized in profit or loss during the period the financial asset is recognized in the consolidated balance sheet. Interest income and expenses are accounted as explained in Note 2.2 (b).

Revaluation reserves accounted under equity is recycled to the profit or loss when available for sale financial assets are derecognized. Equity securities classified as available for sale financial assets and whose fair value cannot be reliably measured, due to lack of active and observable market, are carried at cost, which have been restated by considering the inflation effect until 31 December 2004, since they are acquired before 1 January 2005.

Financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.
Other receivables and payables are stated at cost, since the difference between their amortized cost and their cost are not material to the consolidated financial statements.

Derivative financial instruments;

Derivative financial instruments are recognized at cost and subsequently measured at fair value. The Group's derivative financial instruments mainly comprise of foreign currency options and interest rate swaps. Although such instruments provide hedging for the Group's risk, since the conditions for the hedge accounting in accordance with IAS 39 are not met, they are accounted as derivative financial instruments held for trading or other financial liabilities.

The fair value of the financial instruments that are quoted in an active market is the quoted market price or the bid price offered without any deduction for transaction costs that may incur on sale or other disposal.

(iv) Fair value measurement principles

The fair value of the financial instruments are determined by using the quoted prices in an active market at the balance sheet date without any deduction of transaction costs. If the market for a financial instrument is not active at the balance sheet date, the fair value is estimated by using the market inputs and the appropriate valuation techniques. However, judgment is needed to interpret the available market information. Therefore, the estimates may not reflect the value that would have been realized in a current market transaction.

For all the other financial instruments that are not quoted in an active market, fair value is determined by using a valuation technique. Valuation techniques include net present value technique, benchmarking and other valuation techniques.

(v) Derecognition

The Group derecognises a financial asset, when the contractual rights to the cash flows from the asset expired or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Group derecognizes financial and contractual liabilites when the obligation is expired or cancelled.

(j) Impairment of Assets

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss has occurred after the initial recognition of the asset and the loss had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency of a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy and the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables not to be impaired are then collectively reassessed for any impairment that has been incurred, but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and accounted as doubtful receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale financial assets are recognised by transferring the cumulative loss that has been recognised in other comprehensive income, and presented in the fair value reserve in equity, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation and the current fair value, less any impairment loss previously recognised in profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that one not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(k) Business Combinations

The acquisitions of subsidiaries are accounted by using the purchase method of accounting. The excess of the consideration transferred over the fair value of the identifiable assets, liabilities and contingent liabilities acquired by the acquirers is accounted as goodwill. Goodwill arising from business combinations is not amortized, but tested for impairment annually or more if there is any evidence that the goodwill may be impaired. If the fair value of the identifiable assets, liabilities and contingent liabilities or the cost of the combination are temporarily determined, first recognition of the business combination is performed based on the transitional amounts. After the first recognition, which is allowed to be performed during 12 months after the acquisition, corrections in relation with the first recognition are accounted in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". If the share of the fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree exceed the cost of business combination, the difference is recognized as income.

(l) Foreign Currency

i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities by using exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on available-for-sale equity instruments or a financial liability designated as a hedge of the net investment in a foreign operation.

Companies whose functional currencies are not TL, prepare their financial statements according to their functional currency and these financial statements are translated to TL for consolidated purpose in accordance with IAS 21.

Foreign currency differences arising on operation with currency translation are recognised in profit or loss from currency translation. According to IAS 21, balance sheet items presented in the financial statements of domestic and foreign subsidiaries and joint ventures whose functional currency are other than TL, are translated into TL at the balance sheet (USD/TL and EUR/TL) exchange rates whereas income, expenses and cash flows are translated at the average exchange rate or ruling rate (USD/TL and EUR/TL) of the transaction date. Net profit or loss from translation difference of these operations are recognised as "Foreign Currency Translation Differences" under the equity.

As at 31 December, foreign currency exchange rate of the Turkish Central Bank comprised as following:

	2009	2008
US Dollars	1.5057	1.5123
Euro	2.1603	2.1408

ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to TL at exchange rates at the reporting date. The income and expenses of foreign operations are translated to TL at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, under the foreign currency translation differences ("FCTD"). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTD is transferred to profit or loss as part of the profit or loss on disposal.

(m) Discontinued Operations, Assets Held For Sale and Liabilities Directly Associated with Assets Held For Sale

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation. the net assets of the discontinued operations are measured at fair value less cost of sale of the operation and while the sale of the operation. profit/(loss) before tax and profit/(loss) after the tax of the operation are presented in the accompanying notes of the consolidated financial statements and profit/(loss) analysis is performed. Besides, the net cash flows related to investing and financing activities of the discontinued operations are presented in the related accompanying note.

A group of assets is classified as asset held for sale if the sale of related assets is planned, if there is not any such a plan it would not be classified as assets held for sale. The liabilities directly associated with these assets are classified similarly. Related group of assets is accounted at cost of carrying values less cost of sale of these assets.

(n) Earnings/(Loss) Per Share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, less own shared acquired.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustments on equity items. Such kind of bonus shares are taken into consideration in the computation of earnings per share as issued share certificates. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the period has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period.

(o) Events After the Balance Sheet Date

Events after the balance sheet date include all events up to the date when the financial statements are authorized for issue, even if those events occur after the public announcement of profit or of other selected information.

The Group adjusts the amounts recognized in its consolidated financial statements to reflect adjusting events after the balance sheet date. Non adjusting events are disclosed in the notes to the consolidated financial statements, if material.

(p) Provisions, Contingent Assets and Liabilities

A provision is recognized in the accompanying consolidated financial statements if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. Unless the possibility of any outflow in settlement is remote, contingent liabilities are disclosed in the notes to the financial statements. Where an economic inflow of economic benefits is probable, contingent assets are disclosed in the notes to the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

(r) Leases

All leases which transfer to the Group all the risks and rewards incidental to the ownership of an asset are classified as financial leases. Financial leases are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments and is reflected as a liability by the same amount in the consolidated financial statements of the Group. The finance lease obligations are reduced through principle payments and the finance charge portion is allocated to consolidated statement of comprehensive income of each period during the lease term. Capitalized leased assets are depreciated over the estimated useful life of the related asset.

If there is not reasonable certainty that the ownership will be obtained by the end of the lease term, and the lease term is shorter than the estimated useful life of the leased asset, the asset is depreciated over the lease term, otherwise the asset is depreciated over its estimated useful life.

Operating leases are the leases that the risks and rewards incidental to the ownership of the asset belongs to the lesser. Lease payments under an operating lease are recognized as an expense in profit or loss on a straight-line basis over the lease term.

(s) Related Parties

Parties are considered related to the Company if;

(a) directly, or indirectly through one or more intermediaries, the party:
(i) controls, is controlled by, or is under common control with the Company (this includes Parent, subsidiaries and fellow subsidiaries);
(ii) has an interest in the Company that gives it significant influence over the Company; or
(iii) has joint control over the Company;
(b) the party is an associate of the Company;
(c) the party is a joint venture in which the Company is a venturer;
(d) the party is member of the key management personnel of the Company as its parent;
(e) the party is a close member of the family of any individual referred to in (a) or (d);
(f) the party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with. directly or indirectly, any individual referred to in (d) or
(g) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company
A related party transaction is a transfer of resources, services or obligation between related parties, regardless of whether a price is charged.
A number of transactions are entered into with related parties in the normal course of business.

(t) Segment Reporting

An operating segment is a component of the Group that engages in business activities which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.
The operating segments of the Group are finance, energy, infrastructure, real estate and other segments, and they are disclosed in Note 5.

(u) Government Subsidies and Incentives

All subsidies and incentives, including non-monetary incentives stated at fair market values, are included in the consolidated financial statements when there is reasonable certainty that the Group will qualify and receive such subsidies and incentives.

(v) Taxes

Income tax expense comprises current and deferred tax. Current tax charge is recognized in profit or loss except for the effects of the items reflected under equity.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the differences arising from the initial recognition of goodwill, differences of an asset or liability in a transaction that is not a business combination, at the time of the transaction, which affects neither the accounting profit nor taxable profit and for differences associated with the investments in subsidiaries, associates and interest in joint ventures, to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable, entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Transfer pricing

Transfer pricing is disclosed in the 13th clause of the Corporate Tax Law under the heading "veiled shifting of profit" via transfer pricing. The application details are stated in the "General Communiqué Regarding Veiled Shifting of Profits via Transfer Pricing" published on 18 November 2007.

If the tax payer involves in transactions with related parties relating to trading of products or goods not performed within the framework of the principals regarding to pricing according to pers, then it will be considered that the related profits are shifted in a veiled way via transfer pricing. Such veiled shifting of profits via transfer pricing will not be deducted from tax assessment for the purposes of corporate tax.

(y) Employee Benefits

In accordance with the existing labour law in Turkey, the Group entities operating in Turkey are required to make lump-sum payments to employees who have completed one year of service and whose employment is terminated without cause, retirement, military service or death. Retirement pay liability is calculated by using lower of employee's monthly salary and retirement pay ceiling (2009: TL 2,365; 2008: TL 2,173) for each year of the employee's service. The Group recognises retirement pay liability as the present value of the estimated total reserve of the future probable obligation of the Group. The management of the Group used some assumptions (detailed in Note 22) in the calculation of the retirement pay provision.

(z) Statement of Cash Flows

Cash flows for the period are classified as cash flows from operations, investing activities and financing activities. Cash flows from operations are the cash flows generated from the principal activities of the Group. The Group presents the cash flows from operating activities by using the indirect method such as adjusting the accruals for cash inflows and outflows from gross profit/loss, other non-cash transactions, prior and future transactions or deferrals.

Cash flows from investing activities represent the cash flows used in/provided from investing activities (purchase of tangible and intangibles assets and investments).

Cash flows from financing activities represent the funds used in and repayment of the funds during the period. For purposes of preparation of the statements of cash flows, cash and cash equivalents include cash on hand, bank deposits and highly liquid investments with maturity of less than three months having no impairment risk exposure.

(aa) Treasury Shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to / from retained earnings.

2.3Summary of Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In preparation of the consolidated financial statements, the significant estimates and judgments used by the Group are included in the following notes:

Note 2.2 (e,f,h)	- Useful lives of property, plant and equipment and intangible assets
Note 3	- Business combinations
Note 10	- Impairment losses on accounts receivable
Note 15	- Fair value of investment properties
Note 19	- Impairment test on goodwill
Note 20	- Provisions, contingent assets and liabilities
Note 22	- Assumptions on employee termination benefits.
Note 28	- Impairment on asset groups
Note 31	- Tax assets and liabilities
Note 35	- Determination of fair value
Note 36	- Assets held for sale and discounted operations

3 BUSINESS COMBINATIONS

Acquisitions

a) 2009

Acquisitions during the year ended 31 December 2009 are as follows:

At 23 June 2009, the Group purchased 52.4% share of Anadolu Elektrik Üretim A.Ş. ("Anadolu") at TL 25,819,040, which was sold at the same date to Statkraft AS. Net book value of Anadolu was TL 18,062,571 as at 23 June 2009. No goodwill has been calculated for the purchase since the sale transaction occurred at the same day. The amount is offset from proceeds from Statkraft AS in the statement of cash flows.

The Group acquired 99.99% shares of Aydıngaz from STFA Yatırım Holding A.Ş. and other shareholders with the approval of EMRA dated 21 August 2009 and numbered 2213/7. The transaction was performed by Energaz, a joint venture of the Group. Since the shares were acquired from the other related party of Energaz, namely STFA Yatırım Holding A.Ş., the transaction is accounted as business combination under common control entities and Aydıngaz is consolidated since 1 January 2009.

b) 2008

Acquisitions during the year ended 31 December 2008 are as follows:

(i) On 1 February 2007, the Group conditionally acquired 50,08% interest in Osmanlı Enerji A.Ş. ("Osmanlı") for USD 2,000,000. The conditions for the acquisition are the construction of a hydroelectric power plant with production capacity of 43.7 Mw in Düzce province and the transfer of 40% interest in Düzce-Aksu Hidroelektrik Enerjiden Elektrik Üretim Santrali Limited Şirketi ("Düzce Aksu") which was granted 49-year operating license from the EMRA on 21 September 2006, to Osmanlı. These conditions were met on 22 June 2007.

On 4 March 2008, the Group acquired an additional 49.88% interest in Osmanlı for USD 1,000,000 increasing its ownership to 99.96%.

(ii) On 12 April 2007, the Group conditionally acquired 99.92% interest in Gümüşsan Enerji Elektronik Elektrik İnşaat Taahhüt San. ve Tic Ltd. Şti. ("Gümüşsan") for USD 2,100,000. The conditions for the acquisition are the construction of a hydroelectric power plant with production capacity of 36 Mw in Bitlis province and to take out a 49-year operating license from the EMRA. These conditions were met on 2008.

(iii) On 16 June 2008, the Group acquired 60% interest in Bodrum Liman İşl. A.Ş. by paying TL 10,000,000.

(iv) On 5 June 2008, the Group acquired 70% interest in Dağören for a consideration of USD 3,600,000. The conditions for the acquisition are the construction of a hydroelectric power plant with production capacity of 60.7 Mw in Hakkari province on Zapsuyu and to take out a 49-year operating license from the EMRA.

(v) The details of acquisitions of the Group in 2008 according to purchase accounting method comprised the following:

Osmanlı	**Gümüşsan 49.88%**	**99.92%**
Consideration paid	1,194,775	12,429,377
Fair value of net identifiable assets and liabilities of the shares acquired	(4,616,733)	(19,304,682)
Positive-(negative) goodwill	(3,421,958)	(6,875,305)
Non current assets	9,205,317	11,623,300
Current assets	105,863	7,738,909
Current liabilities	(55,500)	(42,071)
Fair value of net identifiable assets and liabilities	9,255,680	19,320,138
Shares acquired	%49.88	%99.92
Net identifiable assets and liabilities of share acquired	4,616,733	19,304,682

Bodrum	**Liman 60.00%**	**Özarsu 70.00%**
Consideration paid	10,000,000	5,367,700
Fair value of net identifiable assets and liabilities of the shares acquired	(11,868,930)	(28,719,494)
Currency translation difference	(112,139)	-
Positive – (negative) goodwill	(1,981,069)	(23,351,794)
Non current assets	22,872,696	50,800,594
Current assets	1.295,850	556,042
Current liabilities	(2,393,163)	(195,356)
Non-current liabilities	(1,993,833)	(10,133,432)
Fair value of net identifiable assets and liabilities	19,781,550	41,027,848
Shares acquired	%60.00	%70.00
Net identifiable assets and liabilities of share acquired	11,868,930	28,719,494

Currency: Turkish Lira ("TL") unless otherwise stated.

4 JOINT VENTURES

Participation rates of Joint Ventures

Financial statement information of joint ventures as at 31 December 2009 at unconsolidated amounts is as follows:

Joint Ventures	Participation Rates	Total Assets	Equity	"Net Profit / (Loss)"
Enerji Yatırım Holding A.Ş. (*)	%49.99	20,255,293	13,412,733	(741,314)
Energaz Gaz, Elektrik, Su Dağıtım A.Ş. (*)	%26.23	50,934,616	22,709,276	(2,743,265)
Gaznet Şehir Doğalgaz Dağıtım A.Ş. (*)	%19.66	92,264,052	(6,495,858)	1,031,409
Çorum Doğalgaz Dağıtım ve Sanayi Ticaret A.Ş. (*)	%7.87	41,042,067	2,762,137	(259,967)
Netgaz Şehir Doğalgaz Dağıtım A.Ş. (*)	%23.59	12,346,956	1,214,833	(344,050)
Kapadokya Doğalgaz Dağıtım A.Ş. (*)	%16.52	24,836,988	411,973	(1,849,074)
Erzingaz Doğalgaz Dağıtım A.Ş. (*)	%23.61	11,312,870	(847,891)	(660,942)
Olimpos Doğalgaz Dağıtım A.Ş. (*)	%23.61	25,155,134	4,877,920	(87,772)
Karaman Doğalgaz Dağıtım Ltd. Şti. (*)	%23.61	19,409,576	842,301	(61,476)
Kentgaz Denizli Şehir Doğalgaz Dağıtım A.Ş. (*)	%23.61	49,396,365	(8,593,691)	(3,750,030)
Aksaray Doğalgaz Dağıtım A.Ş. (*)	%26.22	26,038,356	(2,871,366)	(974,576)
Aydın Doğalgaz Dağıtımı A.Ş (*)	%26.23	735,217	713,084	(286,916)
Ortadoğu Antalya Liman İşletmeleri A.Ş.	%39.80	133,730,671	26,386,659	10,788,852
Düzce-Aksu Hid. El. En. El. Ürt. Sant. Ltd. Şti. (*)	%39.98	39,914,913	33,881,507	(259,741)
Bilecik Demir Çelik San.ve Tic.A.Ş.	%39.99	52,633,270	7,210,396	(3,955,904)
İzmir Liman İşletmeciliği A.Ş.	%46.00	24,342,017	23,662,429	(1,858,702)

(*) As at 31 December 2009, these Companies are classified as assets held for sale as mentioned in Note 36.

Financial statement information of joint ventures as at 31 December 2008 at unconsolidated amounts is as follows:

Joint Ventures	**Participation Rates**	**Total Assets**	**Equity**	**"Net Profit / (Loss)"**
Enerji Yatırım Holding A.Ş.	%49.99	19,579,941	14,154,047	(592,872)
Energaz Gaz, Elektrik, Su Dağıtım A.Ş.	%26.49	46,177,678	25,452,541	(3,517,594)
Gaznet Şehir Doğalgaz Dağıtım A.Ş.	%19.86	94,176,875	(7,527,267)	(10,404,978)
Çorum Doğalgaz Dağıtım ve Sanayi Ticaret A.Ş.	%7.94	47,625,722	3,024,030	(1,835,329)
Netgaz Şehir Doğalgaz Dağıtım A.Ş.	%23.83	13,578,006	1,558,047	(1,381,270)
Kapadokya Doğalgaz Dağıtım A.Ş.	%16.69	23,676,332	1,561,047	(4,089,286)
Erzingaz Doğalgaz Dağıtım A.Ş.	%23.84	9,926,815	(1,636,949)	(3,260,343)
Olimpos Doğalgaz Dağıtım A.Ş.	%23.84	21,059,170	(2,984,308)	(5,525,052)
Karaman Doğalgaz Dağıtım Ltd. Şti.	%23.84	18,888,740	903,777	(1,918,767)
Kentgaz Denizli Şehir Doğalgaz Dağıtım A.Ş.	%23.84	45,979,877	(6,843,660)	(5,360,087)
Aksaray Doğalgaz Dağıtım A.Ş.	%26.49	28,275,278	(1,896,790)	(3,082,411)
Ortadoğu Antalya Liman İşletmeleri A.Ş.	%39.80	126,458,961	15,950,693	8,364,624
Anadolu Elektrik Üretim A.Ş.	%47.60	1,141,090	(186,014)	(99,617)
Akel Elektrik ve Üretim Ltd.	%46.65	24,919,797	19,017,432	(536,029)
Düzce-Aksu Hid. El. En. El. Ürt. Sant. Ltd. Şti.	%39.98	39,524,654	34,141,248	(469,858)
Bilecik Demir Çelik San.ve Tic.A.Ş.	%39.99	26,193,127	7,702,099	(980,257)
İzmir Liman İşletmeciliği A.Ş.	%46.00	30,153,269	25,521,130	(374,508)

5 SEGMENT REPORTING

Operating segments considered in performance evaluation of the Group Management are determined by considering the Group's risks and resources and internal reporting structure. The Group's operating segments are finance, energy, infrastructure, real estate and other. Finance segment includes the finance operations, energy segment includes natural gas distribution and electricity generation facilities, infrastructure segment includes port operations and real estate segment includes operations in respect of investment property and trading property operations. Other segment mainly includes the media and steel-iron production operations. Information regarding all the segments are stated below. Earnings before interest, tax, depreciation and amortization ("EBITDA") is reviewed in the assessment of the financial performance of the operating segments. The Company management assesses EBITDA as the most appropriate method for the review of the segment operations, based on the comparability with other companies in the same industry. The reconciliation of EBITDA to profit before tax and elements of EBITDA are disclosed as follows.

Currency: Turkish Lira ("TL") unless otherwise stated.

	Energy		Finance		Infrastructure		Real Estate		Other		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Segment assets	235,019,776	275,270,646	186,918,332	181,345,829	178,065,647	180,413,110	194,832,604	155,139,117	25,525,223	4,462,520	820,361,582	796,631,222
Segment liabilities	172,330,742	193,928,475	153,067,579	180,704,148	79,707,254	78,481,376	10,086,914	42,761,623	18,727,831	9,540,248	433,920,320	505,415,870
Investments in equity accounted investees	-	-	-	-	-	-	-	16,258,862	-	-	-	16,258,862
Capital expenditure	22,752,507	106,867,576	762,062	4,017,874	5,634,238	28,176,154	152,460	-	7,586,741	8,516,880	36,888,008	147,578,484
Purchase of investment property	-	-	-	-	-	-	64,282,382	70,854,566	-	-	64,282,382	70,854,566

	Energy		Finance		Infrastructure		Real Estate		Other		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
External revenues	139,080,826	150,041,832	31,587,737	25,749,743	41,797,348	37,364,694	21,500,000	-	4,878,772	1,160,075	238,844,683	214,316,344
Other material non-cash items	(7,012,003)	33,649,057	5,243,545	(6,163,074)	(5,834,427)	1,981,069	726,125	(2,627,869)	-	-	(6,876,760)	26,839,183
EBITDA	(10,696,122)	26,633,939	112,684,296	(41,746,783)	15,962,506	27,104,953	3,161,166	(5,298,463)	(773,862)	(7,298,411)	120,337,984	(604,765)
Depreciation and amortisation expense	(2,946,255)	(4,654,589)	(1,026,157)	(756,927)	(7,094,880)	(5,595,075)	(253,785)	(240,865)	(371,042)	(38,219)	(11,692,119)	(11,285,675)
Share of profit/ (loss) of equity method investees	-	-	-	-	-	-	-	-	(1,717,441)	(4,660,675)	(1,717,441)	(4,660,675)
Finance income	9,153,282	6,570,955	73,619,282	140,823,685	4,805,252	8,369,702	635,992	3,412,375	1,317,478	617,188	89,531,286	159,793,905
Finance expense	(14,455,533)	(27,829,852)	(82,825,817)	(173,311,048)	(15,933,314)	(20,494,795)	(1,012,612)	(7,727,306)	(2,018,194)	(9,548,326)	(116,245,470)	(238,911,327)

	2009	2008
Revenues		
Total revenue for reportable segments	238,844,683	214,316,344
Elimination of inter-segment revenue	(2,301,627)	(2,232,851)
Transfer to discontinued operations	(139,117,731)	(150,041,832)
Consolidated revenue	**97,425,325**	**62,041,661**
Consolidated EBITDA	**120,337,984**	**(604,765)**
Finance income	64,490,056	126,261,403
Finance expenses	(92,913,267)	(209,353,803)
Share of profit/ (loss) of equity accounted investees	(1,717,441)	(4,660,675)
Depreciation and amortisation expenses	(11,692,119)	(11,285,675)
Consolidated profit before income tax	**78,505,213**	**(99,643,515)**
Assets		
Total assets for reportable segments	820,361,582	796,631,222
Investments in equity accounted investees	16,258,862	
Consolidated total assets	**820,361,582**	**812,890,084**
Liabilities		
Total liabilities for reportable segments	433,920,320	505,415,870
Consolidated total liabilities	**433,920,320**	**505,415,870**
Finance income		
Total financial revenue for reportable segments	89,531,286	159,793,905
Elimination of inter-segments	(25,041,230)	(33,532,502)
Transfer to discontinued operations	(3,796,962)	(11,312,844)
Consolidated finance income	**60,693,094**	**114,948,559**
Finance expenses		
Total financial expense for reportable segments	(116,245,469)	(238,911,327)
Elimination of inter-segments	23,332,202	29,557,524
Transfer to discontinued operations	7,034,064	35,193,170
Consolidated finance expenses	**(85,879,203)**	**(174,160,633)**
Other material non-cash items		
Negative goodwill (Note 28)		35,630,126
Revaluation of investment property (Note 28)	5,969,670	
Impairment on goodwill (Note 28)		(5,870,700)
Impairment losses (Note 28)	(12,846,430)	(2,920,243)
Total other material non-cash items	**(6,876,760)**	**26,839,183**

Currency: Turkish Lira ("TL") unless otherwise stated.

6 CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents is as follows:
As at 31 December 2009 and 31 December 2008, cash and cash equivalents comprised the following:

	31 December 2009	31 December 2008
Cash on hand	217,652	448,176
Cash at banks	39,329,555	24,968,479
-Demand deposits	5,540,746	12,887,709
-Time deposits	33,788,809	12,080,770
Receivables from reverse repurchase agreements	2,000,154	-
Receivables from money markets	374,407	307,632
Receivables from ISE Settlement and Custody Bank	668,712	5,145,227
Debt securities	4,833	36,791
Others	792,071	1,225,392
Cash and cash equivalents	**43,387,384**	**32,131,697**
Blocked deposits	(1,345,488)	(570,631)
Cash and cash equivalents for cash flow statement purposes	**42,041,896**	**31,561,066**

As at 31 December 2009 and 31 December 2008, maturities of time deposits comprised the following:

	31 December 2009	31 December 2008
Up to 1 month	33,555,539	12,080,770
3-6 months	233,270	-
	33,788,809	**12,080,770**

As at 31 December 2009 and 31 December 2008, the range of time deposit interest rates included in cash and cash equivalents is as follows:

	31 December 2009	31 December 2008
TL time deposit interest rate (highest)	13.50%	19.75%
TL time deposit interest rate (lowest)	6.50%	16.50%
USD time deposit interest rate (highest)	0.50%	3.50%
USD time deposit interest rate (lowest)	0.20%	2.34%
Euro time deposit interest rate (highest)	2.00%	2.26%
Euro time deposit interest rate (lowest)	2.00%	2.26%

As at 31 December 2009, cash at banks amounting to TL 806,964 (31 December 2008: TL 140.724) comprised of credit card receivables blocked at banks until their maturities and transferred to assets held for sale. Cash at banks amounting to TL 971,081 (31 December 2008: TL 219,284) is blocked due to bank borrowings by the banks. As at 31 December 2009, TL 374,407 deposited at the ISE Settlement and Custody Bank is blocked by the CMB (31 December 2008: TL 351,347).

7 FINANCIAL INVESTMENTS

As at 31 December 2009 and 31 December 2008, the details of financial investments comprised the following:

Current assets	**31 December 2009**	**31 December 2008**
Financial assets held for trading	36,452,340	17,474,559
Financial assets available for sale	1,513,376	5,063,951
Total	**37,965,716**	**22,538,510**
Non current assets		
Financial assets available for sale	9,786,304	8,056,032
Total	**9,786,304**	**8,056,032**

The breakdown of financial investments as to their classifications comprised the following:

a) Financial assets held for trading

	31 December 2009	**31 December 2008**
Debt securities	19,491,585	11,734,370
Equity securities	16,751,389	3,330,449
Investment fund participations	188,714	2,129,186
Other	20,652	280,554
Total	**36,452,340**	**17,474,559**

As at 31 December 2009, debt securities amounting to TL 12,646,654 (31 December 2008: TL 9,524,503) is subject to repurchase agreements.

As at 31 December 2009, government bonds amounting to TL 1,763,316 are pledged to the banks with respect to the letter of guarantees given to "ISE" and "CMB" (31 December 2008: TL 1,496,646).

As at 31 December 2009, goverment bond amounting to TL 3,986,935 is given to "ISE" and ISE Settlement and Custody Bank for transaction guarantee of Turkish Derivative Exchange ("VOB") (31 December 2008: TL 13,319).

As at 31 December 2009, letter of guarantee amounting to TL 6,277,000 (31 December 2008: TL 6,786,000) is given to "ISE"; letter of guarantee amounting to TL 5,165,000 (31 December 2008: TL 4.425.000) is given to ISE Settlement and Custody Bank and letter of guarantee amounting to TL 1,125,000 (31 December 2008: TL 1,125,000) is given to "CMB".

Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2009, the Group has lent 2,000,000 shares of a subsidiary to Avrasya Yatırım Holding A.Ş. As at 31 December 2009, the Group has lent 750,000 (TL 4,762,498) and 50,000 (TL 1,462,500) shares of equity securities to Avrasya Yatırım Holding A.Ş.

As at 31 December 2008, the Group has lent 120,000 (TL 1,944,000) and 1,000,000 (TL 2,580,000) shares of equity securities to Avrasya Yatırım Holding A.Ş.

b) Financial assets available for sale

	31 December 2009	31 December 2008
Debt securities	50,876	49,338
Equity securities		
- Quoted to an active market	1,462,500	5,014,613
- Unquoted to an active market	9,786,304	8,056,032
Total	**11,299,680**	**13,119,983**

As at 31 December 2009 and 31 December 2008, details of the investments which are unquoted to active markets comprised the following:

	31 December 2009		31 December 2008	
	Share ratio (%)	Book value	Share ratio (%)	Book value
Takas ve Saklama Bankası A.Ş.	2.35	6,163,548	2.35	6,163,548
Yeşil Enerji	5.00	3,374,999	-	-
Bakü Borsası	5.50	137,523	5.50	137,523
Torba İnşaat ve Turistik A.Ş. (*)	80.00	80,000	80.00	80,000
Gelişen İşlemler Piyasası	-	30,000	-	30,000
Sofya Borsası	0.34	234	0.34	234
Medgaz A.Ş. (**)	-	-	49.99	1,137,271
Kentgaz A.Ş. (**)	-	-	49.99	507,456
Total		**9,786,304**		**8,056,032**

The Group recognized and measured the investments, which are unquoted to active markets, at cost.

(*) This Company is excluded from consolidation, beginning from 1 January 2008, due to appointment of a trustee and loss of control and is carried at cost in the consolidated financial statements.

(**) Medgaz A.Ş. and Kentgaz A.Ş. are not consolidated since they are immaterial to the consolidated financial statements and transferred to assets held for sale as at 31 December 2009

8. FINANCIAL LIABILITIES

As at 31 December 2009 and 31 December 2008, financial liabilities comprised the following:

Short term financial liabilities	**31 December 2009**	**31 December 2008**
Short term bank loans	16,380,252	50,271,283
-TL Loans	14,050,377	29,329,168
-Foreign currency loans	2,329,875	20,942,115
Short term portion of long term bank loans	21,012,263	26,820,655
-TL Loans	-	-
-Foreign currency loans	21,012,263	26,820,655
Finance lease obligations	745,459	1,056,305
Total	**38,137,974**	**78,148,243**

Long term financial liabilities	**31 December 2009**	**31 December 2008**
Long term bank loans	138,518,929	197,346,921
-TL Loans	-	-
-Foreign currency loans	138,518,929	197,346,921
Finance lease obligations	12,921,465	8,003,304
Total	**151,440,394**	**205,350,225**

Currency: Turkish Lira ("TL") unless otherwise stated.

Loan Type	Company Name	Original Amount	Maturity	Interest Type	31 December 2009 Interest Rate %	Principal (TL)	Carrying Value (TL)
Loans used to finance investments and projects							
Secured Loan	Pera	TL	2010	Fixed	10-18 %	6,138,254	6,119,904
Secured Loan	Global Menkul	TL	2010	Fixed	14 %	6,452,633	6,452,633
Unsecured Loan	Global Menkul	TL	2010	Fixed		189,534	189,534
Loan participation notes	Holding	USD	2012	Fixed	9.25 %	109,497,064	112,558,897
Secured Loan	Bodrum Liman	USD	2011	Fixed	6.29 %	376,425	382,602
Secured Loan	Bodrum Liman	USD	2014	Fixed	7.95 %	3,011,400	3,106,712
Unsecured Loan	Ortadoğu Liman	USD	2013	Fixed	7.25 %	2,272,226	2,290,381
Secured Loan	Bilecik	USD	2013	Floating	Libor+ 7 %	1,204,259	1,236,150
Secured Loan	Bilecik	USD	2010	Fixed	8.5-9 %	1,505,323	1,566,578
						130,647,118	**133,903,391**
Financing loans							
Secured Loan	Ortadoğu Liman	USD	2016	Floating	Libor+ 2.9 %	22,292,792	22,427,396
Secured Loan	Ege Liman	USD	2013	Floating	Libor+ 2.5 %	17,476,875	17,529,054
						39,769,667	**39,956,450**
Loans used to finance working capital							
Unsecured Loan	Bodrum Liman	TL	Revolving	Fixed	12 %	365,000	365,000
Unsecured Loan	Bilecik	TL	2010	Fixed	10.4 %	923,306	923,306
Unsecured Loan	Bodrum Liman	USD	2010	Fixed	8 %	763,297	763,297
						2,051,603	**2,051,603**
Finance Lease Obligations							
Leasing	Ege Liman	USD	2013	Fixed	8 %	2,883,446	2,883,446
Leasing	Bilecik	USD	2013	Fixed	11.13 %	10,783,479	10,783,478
						13,666,925	13,666,924
						186,135,313	**189,578,368**

Loan Type	Company Name	Original Amount	Maturity	Interest Type	Interest Rate %	31 December 2008 Principal (TL)	Carrying Value (TL)
Loans used to finance investments and projects							
Secured Loan	Pera	TL	2009	Fixed	6-25 %	13,314,413	14,292,061
Secured Loan	Holding	TL	2009	Fixed	25.73 %	10,037,500	11,343,588
Secured Loan	Global Menkul	TL	2009	Fixed	28.5 %	3,170,774	3,170,774
Loan participation notes	Holding	USD	2012	Fixed	9.25 %	112,052,211	114,039,187
Secured Loan	Energaz and its subsidiaries	USD	2008-2012	Fixed	8.5 %	52,189,257	53,273,737
Secured Loan	Pera	USD	2009	Fixed	4-11 %	4,801,380	5,392,806
Secured Loan	Ortadoğu Liman	USD	2013	Fixed	7.25 %	2,282,187	2,955,937
Secured Loan	Energaz and its subsidiaries	USD	2012	Fixed	9.00 %	977,598	1,026,644
Secured Loan	Energaz and its subsidiaries	USD	2009	Fixed	9.00 %	90,720	105,437
Unsecured Loan	Bodrum Liman	USD	2010	Fixed	6.25 %	1,134,225	1,153,129
Secured Loan	Bilecik Demirçelik	USD	2013	Floating	Libor+ 7 %	1,209,840	1,249,246
Secured Loan	Energaz	EURO	2012	Fixed	3.87 %	1,902,553	2,045,318
Secured Loan	Energaz	EURO	2012	Floating	Libor+ 2 %	778,317	796,618
						203,940,975	**210,844,482**
Financing loans							
Secured Loan	Ege Liman	USD	2013	Floating	Libor+ 2.5 %	23,062,575	23,179,473
Secured Loan	Ortadoğu Liman	USD	2016	Floating	Libor+ 2.9 %	22,390,505	24,092,105
						45,453,080	**47,271,578**
Loans used to finance working capital							
Unsecured Loan	Bodrum Liman	TL	2009	Fixed	26.5 %	740,143	773,489
Secured Loan	Holding	USD	2009	Fixed	8.32-8.35 %	14,366,850	14,749,537
Unsecured Loan	Ege Liman	USD	2009	Fixed	12.75 %	756,150	799,773
						15,863,143	**16,322,799**
Finance Lease Obligations							
Leasing	Çorumgaz	TL	2012	Fixed	24.63 %	295,828	295,828
Leasing	Ortadoğu Liman	EURO	2009	Fixed	8.90 %	285,308	285,308
Leasing	Ege Liman	USD	2012	Fixed	8.3 %	3,588,825	3,588,825
Leasing	Bilecik Demir Çelik	USD	2013	Fixed	7.7 %	4,889,648	4,889,648
						9,059,609	9,059,609
						274,316,807	**283,498,468**

Currency: Turkish Lira ("TL") unless otherwise stated.

Maturity profile of foreign currency long term bank loans comprised the following:

Year	31 December 2009	31 December 2008
2010	-	32,049,884
2011	17,688,265	34,356,117
2012	103,394,134	110,364,107
2013 and after	17,436,530	20,576,813
Total	**138,518,929**	**197,346,921**

Maturity profile of finance lease obligations comprised the following:

Year	31 December 2009	31 December 2008
2010	-	1,106,181
2011	3,350,780	2,618,533
2012	4,849,141	2,803,444
2013	4,721,544	1,475,146
Total	**12,921,465**	**8,003,304**

9 OTHER FINANCIAL LIABILITIES

As at 31 December 2009 and 31 December 2008, the Group's interest swap agreements and options comprised the following:

Interest rate swaps as at December 31,

	2009 Nominal Value	Maturity	2008 Nominal Value	Maturity
USD	25,000,000	31 July 2012	25,000,000	31 July 2012
USD	6,250,000	25 May 2013	7,625,000	25 May 2013
USD	6,250,000	25 May 2013	7,625,000	25 May 2013

Options as at December 31,

	2009 Nominal Value	Maturity	2008 Nominal Value	Maturity
Euro	-	-	10,000,000	27 August 2009
Euro	-	-	10,000,000	27 August 2009
Euro	-	-	10,000,000	27 August 2009

	31 December 2009	31 December 2008
Fair value of interest rate swaps	3,013,854	8,858,609
Fair value of options	-	672,204
	3,013,854	**9,530,813**

10 TRADE RECEIVABLES AND PAYABLES

Trade receivables - current
As at 31 December 2009 and 31 December 2008, trade receivables-current other than from related parties comprised the following:

	31 December 2009	31 December 2008
Receivables from customers	2,292,875	17,541,777
Doubtful receivables	2,965,608	3,186,558
Other (*)	12,795,090	5,996,669
Allowance for doubtful receivables (-)	(2,965,608)	(3,186,558)
Total	**15,087,965**	**23,538,446**

(*) As at 31 December 2009, other trade receivables include receivables from Statkraft AS amounting to TL 8,226,089 (31 December 2008: None).

Movement in the allowance for doubtful trade receivables during the year ended 31 December 2009 and 31 December 2008, comprised the following:

Doubtful trade receivable

	31 December 2009	31 December 2008
Balance at the beginning of the year	(3,186,558)	(2,761,403)
Allowance for the period	(62,452)	(231,722)
Written-off	124,346	(193,433)
Reclassified to assets held for sale	159,056	-
Total	**(2,965,608)**	**(3,186,558)**

The credit risk and currency risk on trade receivables-current are presented in Note 34.

As at 31 December 2009 and 31 December 2008, the maturities of short term receivables are between 1 to 3 months. The allowance for doubtful receivables expense is presented under general administrative expenses.
Trade receivables - non-current

As at 31 December 2009, there is not any non-current trade receivable (31 December 2008: TL 18,284).

Currency: Turkish Lira ("TL") unless otherwise stated.

Trade payables-current

As at 31 December 2009 and 31 December 2008, trade payables-current other than due to related parties comprised the following:

	31 December 2009	31 December 2008
Payables to suppliers	11,574,225	43,280,997
Other	64,718	7,941
Total	**11,638,943**	**43,288,938**

The currency risk and liquidity risk on trade payables-current are presented in note 34.

Trade payables-non-current

At 31 December 2009 and 31 December 2009, the Group does not have any non-current trade payable.

11 OTHER RECEIVABLES AND PAYABLES

Other receivables- current

As at 31 December 2009 and 31 December 2008, current receivables other than due from related parties comprised the following:

	31 December 2009	31 December 2008
Recievables from subsidiaries ' or Joint ventures' other shareholders	4,051,823	-
Other	1,547,508	1,282,291
Deposits and advances given	1,199,053	6,423,415
Total	**6,798,384**	**7,705,706**

Other receivables-non-current

As at 31 December 2009 and 31 December 2008, non-current receivables other than due from related parties comprised the following:

	31 December 2009	31 December 2008
Deposits and advances given	3,754,422	8,093,780
Other (*)	1,023,148	1,485,402
Total	**4,777,570**	**9,579,182**

(*) Other receivables amounting to TL 1,023,148 consist of the receivables from Udaş Uşak Doğalgaz Dağıtım A.Ş. (31 December 2008: TL 1,023,148).

Deposits and advances given amounting to TL 3,461,720 consist of the deposits given to the banks for derivative transactions (31 December 2008: TL 8,051,485).

Other payables - non-current

At 31 December 2009 and 31 December 2008, current payables other than due to related parties comprised the following:

	31 December 2009	31 December 2008
Taxes payable and social security contributions	1,996,526	2,738,322
Payables to personnel	487,969	92,399
Deposits and advances received	485,385	272,173
Other	5,309,489	2,370,657
Total	**8,279,369**	**5,473,551**

At 31 December 2009 and 31 December 2008, non-current payables other than due to related parties comprised the following:

	31 December 2009	31 December 2008
Due to subsidiaries ' or joint ventures' other shareholders	7,298,012	7,103,691
Deposits and advances received	-	20,007,899
Total	**7,298,012**	**27,111,590**

As at 31 December 2008, the deposits and advances received consist of the security deposit received from the customers of the natural gas distribution firms of the Group to guarantee the future receivables of the firms. As at 31 December 2009, these other non-current payables were transferred to liabilities directly associated with assets held for sale.

Currency: Turkish Lira ("TL") unless otherwise stated.

12 RECEIVABLES FROM AND LIABILITIES DUE TO OPERATIONS IN FINANCE SECTOR

As at 31 December 2009 and 31 December 2008, receivables from operations in finance sector comprised the following:

Receivables - current	**31 December 2009**	**31 December 2008**
Receivables from customers	16,498,727	7,831,066
Other trade receivables	614	1,554,867
Doubtful receivables	1,285,849	1,288,388
Allowance for doubtful receivables (-)	(1,285,849)	(1,288,388)
Total	**16,499,341**	**9,385,933**

Receivables- non-current	**31 December 2009**	**31 December 2008**
Receivables from customers	3,192,084	3,206,076
Other trade receivables	1,530	264,498
Total	**3,193,614**	**3,470,574**

As at 31 December 2009 and 31 December 2008, liabilities due to operations in finance sector are all current and comprised the following:

Payables - current	**31 December 2009**	**31 December 2008**
Funds provided from repo transactions	14,642,338	9,524,503
Payables to money market	4,011,316	12,727,368
Payables to suppliers	199,965	1,074,036
Customers security witholdings	31,145	244,042
Payables to customers	13,515	871,430
Other	5,147	226,707
Total	**18,903,426**	**24,668,086**

13 INVENTORY

As at 31 December 2009 and 31 December 2008, inventories comprised the following:

	31 December 2009	31 December 2008
Finished goods	1,377,301	-
Raw materials	632,990	-
Other (*)	25,154	17,361,728
	2,035,445	**17,361,728**

As at 31 December 2008, land amounting to TL 17,185,979 held as an investment property was reclassified to inventory as trading property by Pera, one of the subsidiaries of the Group in real estate investment sector and was sold in 2009.

14 INVESTMENTS IN ASSOCIATES

As at 31 December 2008, Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş. and Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş. were consolidated to the Group by using the equity method.

As explained in detail in Note 2.1 (d) (ii), the Group resolved to sell its 20% and 20% shares in Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş. and Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş. respectively, to the other shareholders of the investments in associates. These associates' losses are TL 1,161,796 and TL 555,645, respectively, until 31 March 2009. The losses that exceed the carrying value of Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş. is not reflected to the consolidated financial statements since it has a negative equity value as at the date of sale.

The carrying values of Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş. and Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş. as at 31 December 2008 are TL 15,703,217 and TL 555,645, respectively.

Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 March 2009, total assets, shareholders'equity and net period losses of Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş. and Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş. are as follows:

Boğaziçi Yatırım Turizm ve Gayrimenkul Geliştirme A.Ş.	**%**	**31 March 2009**
Total assets	20	141,185,414
Equity	20	72,707,103
Net Loss	20	(5,809,479)

Kuşadası Turizm Yatırımcılığı ve İşletmeciliği A.Ş.	**%**	**31 March 2009**
Total assets	20	70,708,939
Equity	20	(7,621,599)
Net Loss	20	(10,399,824)

As at 31 December 2009, the reconciliation of the gain on sale of investments in associates is as follows:

	31 December 2009
The fair value of the investment property obtained with respect to the cost of investments in associates	51,935,000
Cost of investments in associates (-)	(14,541,421)
Receivables from investments in associates (-)	(21,714,553)
Expenses incurred relating to the sale of associates	868,271
VAT with respect to investment property	2,537,170
Gain on sale of investments in associates (Note 28)	**19,084,467**

15 INVESTMENT PROPERTY

Movements of investment property during the years ended 31 December 2009 and 31 December 2008 are as follows:

	1 January 2009	**Additions**	**Revaluation**	**Transfer to assets held for sale**	**31 December 2009**
Land	72,220,500	1,506,081	1,139,670	-	74,866,251
Building (*)	-	51,935,000	4,830,000	(56,765,000)	-
Construction in progress (**)	38,087,586	10,841,301	-	-	48,928,887
Total	**110,308,086**	**64,282,382**	**5,969,670**	**(56,765,000)**	**123,795,138**

	1 January 2008	**Additions**	**Impairment**	**Transfer to inventories**	**31 December 2008**
Land	78,000,000	34,705,810	(23,299,331)	(17,185,979)	72,220,500
Construction in progress	1,938,830	36,148,756	-	-	38,087,586
Total	**79,938,830**	**70,854,566**	**(23,299,331)**	**(17,185,979)**	**110,308,086**

(*) As at 31 December 2009, additions to building include investment property held for sale explained in detail in Note 2.1 (d) (ii) and Note 14.

(**) As at 31 December 2009, capitilized finance costs in additions is amounting to TL 810.363 (31 December 2008: TL 2.222.792) The fair value of the investment property of the Group as at 31 December 2009 and 31 December 2008 are determined according to the revaluation report prepared by an independent real estate appraisal company, which has the authorization license of CMB. The expertise report is prepared by considering the market prices of the similar properties around the same locations with the related properties.

As at 31 December 2009 and 31 December 2008, fair values of invesment properties are presented below:

	Valuation Reports Date	Fair Value
Denizli land	14 January 2010	56,590,000
Van land	28 January 2010	18,276,251
		74,866,251

The Group's subsidiary, in the Board Meeting dated on 3 September 2008, contested the tenancy of Tesco Kipa Pazarlama Tic. ve Gıda A.Ş. ("Tesco Kipa") in the Group's shopping center in Denizli, which is under construction.

Istanbul Commercial Court decided to put preliminary injunction on the Group's property at Denizli by decision number 2009/125. Such preliminary injunctions are closed on 20 July 2009.

The Group's land at Denizli is pledged as mortgage at TL 30,000,000 for the loan granted by bank. The total area of the Group's land at Denizli is 148,958 m^2 and 98.418 m^2 of this land is zoned. Such project consist of; shopping center on 47,709 m^2 area, residences on 34,421 m^2 area, hotel on 10,745 m^2 area and hospital on 5,543 m^2 area. The construction of shopping center is scheduled to be completed in 2010.

The Group acquired at Van province of Turkey 16,611,65 m^2 area of land for the purpose of obtaining capital appreciation in the future. Such land is pledged at first degree at an amount of TL 22,000,000 against the bank borrowing as mortgage.

Currency: Turkish Lira ("TL") unless otherwise stated.

16 PROPERTY, PLANT AND EQUIPMENT

Movements of property. plant and equipment for the years ended 31 December 2009 and 31 December 2008 are as follows:

Cost	**1 January 2008**	**Additions**	**Disposals**	**Effects of movements in exchange rates**	**Effect of unconsolidated subsidiary**	**Transfer to asset held for sale**	**31 December 2008**	**Additions**	**Disposal**	**Transfer**	**Effects of movements in exchange rates**	**Transfers to asset held for sale**	**31 December 2009**
Land	15,235,914	-	(470,827)	-	(7,401,032)	-	7,364,055	2,812,809	(6,180,100)	-	-	(3,693,057)	303,707
Land Improvements	-	68,848	-	2,990	-	-	71,838	3,907	-	192,593	90	-	268,428
Buildings	25,298,506	311,042	-	3,816,400	-	-	29,425,948	-	-	3,344,651	(72,461)	(12,822,395)	19,875,743
Plant, machinery and equipments	26,478,963	1,686,130	(118,640)	1,807,648	-	-	29,854,101	397,266	(172,692)	12,223,169	(33,060)	(467,764)	41,801,020
Motor vehicles	4,178,032	1,368,790	(158,661)	1,205,113	-	-	6,593,274	3,591,310	(4,864)	-	17,499	(605,250)	9,591,969
Furniture and fixtures	7,255,788	1,605,513	(8,092)	275,444	-	(4,887)	9,123,766	208,965	(34,911)	-	372	(959,733)	8,338,459
Leashold improvements	1,266,007	13,695,908	(23,873)	1,431,429	-	-	16,369,471	181,317	(27,133)	368,444	118,754	(317,019)	16,693,834
Other fixed assets	4,769,633	368,376	-	55,799	-	-	5,193,808	249,462	(1,465,657)	1,465,657	(1,059)	-	5,442,211
Construction in progress	5,103,604	26,337,282	(2,349,746)	642,520	(990,395)	(16,335,886)	12,407,379	8,539,700	(472,374)	(17,594,514)	53,457	-	2,933,648
Total	**89,586,447**	**45,441,889**	**(3,129,839)**	**9,237,343**	**(8,391,427)**	**(16,340,773)**	**116,403,640**	**15,984,736**	**(8,357,731)**	**-**	**83,592**	**(18,865,218)**	**105,249,019**

(-)Accumulated depreciation	**1 January 2008**	**Depreciation for the year**	**Disposals**	**Effects of movements in exchange rates**	**Effect of unconsolidated subsidiary**	**Transfer to asset held for sale**	**31 December 2008**	**Depreciation for the year**	**Disposal**	**Transfer**	**Effects of movements in exchange rates**	**Transfers to asset held for sale**	**31 December**
Land Improvements	-	1,701	-	232	-	-	1,933	7,177	-	-	(39)	-	9,071
Buildings	2,387,444	731,046	-	413,558	-	-	3,532,048	826,775	-	-	(26,121)	(1,305,734)	3,026,968
Plant, machinery and equipments	20,515,383	1,211,497	(36,642)	521,551	-	-	22,211,789	1,582,362	(140,244)	-	401,952	(201,795)	23,854,064
Motor vehicles	475,671	555,018	(109,595)	695,033	-	-	1,616,127	557,818	(4,864)	-	(10,030)	(339,955)	1,819,096
Furniture and fixtures	5,815,733	416,660	(1,797)	286,255	-	(4,000)	6,512,851	486,559	(24,500)	-	19,229	(530,655)	6,463,484
Other fixed assets	4,426,344	116,471	-	31,302	-	-	4,574,117	169,302	-	-	78,384	-	4,821,803
Leashold improvements	546,735	598,049	(5,379)	42,046	-	-	1,181,451	1,320,281	(17,031)	-	(397,420)	(162,363)	1,924,918
Total	**34,167,310**	**3,630,442**	**(153,413)**	**1,989,977**	**-**	**(4,000)**	**39,630,316**	**4,950,274**	**(186,639)**	**-**	**65,955**	**(2,540,502)**	**41,919,404**
Net book value	55,419,137		(2,976,426)	7,247,366	(8,391,427)	(16,336,773)	76,773,324	-	(8,171,092)	-	17,637	(16,324,716)	63,329,615

As at 31 December 2008, there are additions to tangible assets of Yeşil Enerji and its subsidiaries amounting to TL 9,291,316 that are presented in assets held for sale until the sales date (23 June 2009). Total 2009 tangible asset additions to Dağören Enerji and Düzce Aksu, which are classified as assets held for sale as at 31 December 2009 and 31 December 2008, are amounting to TL 170,102. Lands amounting to TL 2,812,809 are acquired against the Group's other receivables without any consideration.

As at 31 December 2009 and 31 December 2008, the net book value of the leased assets in property, plant and equipment are as follows:

	31 December 2009	**31 December 2008**
Furniture and fixtures	97,544	149,205
Plant, machinery and equipments	32,916,336	18,670,295
Motor vehicles	3,888,027	4,157,121
	36,901,907	**22,976,621**

Currency: Turkish Lira ("TL") unless otherwise stated.

17 CONCESSION INTANGIBLE ASSETS

Movements of concession intangible assets for the years ended 31 December 2009 and 31 December 2008 are as follows:

Cost	**1 January**	**Additions**	**Change in shareholding percentage**	**31 December 2008**	**Additions**	**Disposals**	**Transfers to asset held for sale**	**31 December 2009**
Concession intangible assets	87,992,608	24,929,120	535,595	113,457,323	9,830,006	(2,724)	(123,284,605)	-
Total	**87,992,608**	**24,929,120**	**535,595**	**113,457,323**	**9,830,006**	**(2,724)**	**(123,284,605)**	-
Accumulated amortization								
Concession intangible assets	2,359,906	3,058,888	20,463	5,439,257	2,151,678	(147)	(7,590,788)	-
Total	**2,359,906**	**3,058,888**	**20,463**	**5,439,257**	**2,151,678**	**(147)**	**(7,590,788)**	-
Net book value	**85,632,702**	**21,870,232**	**515,132**	**108,018,066**	**7,678,328**	**(2,577)**	**(115,693,817)**	-

Concession intangible assets of the Group consists of concession intangible assets of Energaz and its subsidiaries and as at 31 December 2009, they are transferred to assets held for sale. As at 31 December 2009 and 31 December 2008, total capitalized finance expenses in additions are amounting to TL 3,215,984 and TL 2,371,203, respectively.

18 INTANGIBLE ASSETS

Movements of intangible assets for the years ended 31 December 2009 and 31 December 2008 are as follows:

Cost	1 January 2009	Additions	Disposals	Impairment	Effects of movements in exchange rates	Transfers to assets held for sale	31 December 2009
Rights	11,752,913	1,375,984	(772)	(5,834,427)	(1,751)	(117,976)	7,173,971
Software	1,123,569	235,863	(7,415)	-	(125)	(861,161)	490,731
Port operation rights	70,918,585	-	-	-	(309,504)	-	70,609,081
Other	15,725,106	-	(62,500)	-	94,760	(9,924)	15,747,442
Total	**99,520,173**	**1,611,847**	**(70,687)**	**(5,834,427)**	**(216,620)**	**(989,061)**	**94,021,225**
Accumulated amortization							
Rights	(5,128,958)	(216,930)	197	-	887	28,529	(5,316,275)
Software	(614,235)	(159,339)	7,413	-	243	596,750	(169,168)
Port operation rights	(10,077,591)	(2,869,105)	-	-	115,608	-	(12,831,088)
Other	(5,674,039)	(872,971)	62,500	-	(7,793)	9,924	(6,482,379)
Total	**(21,494,823)**	**(4,118,345)**	**70,110**	**-**	**108,945**	**635,203**	**(24,798,910)**
Net book value	**78,025,350**	**(2,506,498)**	**(577)**	**(5,834,427)**	**(107,675)**	**(353,858)**	**69,222,315**

Total addition to Yeşil Enerji and its subsidiaries, until the selling date of 23 June 2009 are amounting to TL 29,723, which was transferred to assets held for sale as at 31 December 2008.

(*) For the explanation of the impairment, please refer to Note 28.

Currency: Turkish Lira ("TL") unless otherwise stated.

Cost	**1 January 2008**	**Change in ownership percentages**	**Additions**	**Disposals**	**Transfers**	**Effects of movements in exchange rates**	**Transfers to assets held for sale**	**31 December 2008**
Rights	7,805,378	5,891	3,985,504	(3,472)	-	22,938	(63,326)	11,752,913
Software	821,393	-	297,581	-	-	4,595	-	1,123,569
Port operation rights	54,618,049	-	-	-	-	16,300,536	-	70,918,585
Other	5,341,476	19,546	9,364,762	-	-	1,038,477	(39,155)	15,725,106
Total	**97,663,232**	**4,628,686**	**77,207,475**	**(3,472)**	**(143,584)**	**17,366,546**	**(97,198,710)**	**99,520,173**
Accumulated amortization								
Rights	(4,726,497)	-	(388,193)	-	-	(14,268)	-	(5,128,958)
Software	(376,670)	-	(236,033)	-	-	(1,532)	-	(614,235)
Port operation rights	(5,601,119)	-	(2,580,524)	-	-	(1,895,948)	-	(10,077,591)
Other	(5,240,140)	(1,548)	(388,688)	-	-	(49,455)	5,792	(5,674,039)
Total	**(16,314,644)**	**(49,333)**	**(4,596,347)**	**-**	**143,584**	**(1,961,203)**	**1,283,120**	**(21,494,823)**
Net book value	**81,348,588**	**4,579,353**	**72,611,128**	**(3,472)**	**-**	**15,405,343**	**(95,915,590)**	**78,025,350**

19 GOODWILL

During the yaer ended 31 December 2009 and 31 December 2008, movement of goodwill is as follows:

1 January 2008	**46,335,867**
Transfers to assets held for sale	(456,710)
Currency translation differences	355,279
Goodwill impairment (*)	(5,870,700)
31 December 2008	**40,363,736**
Currency translation differences	(21,006)
31 December 2009	**40,342,730**

(*) The Group has recognized full provision for an impairment loss of TL 5.870.700 on goodwill arising from the acquisition of Salıpazarı, Güney and Doğu in its consolidated financial statements as at and for the year ended 31 December 2008. The distribution of the goodwill according to the segments as at 31 December 2009 and 31 December 2008, is as follows:

Distribution by segments	31 December 2009	31 December 2008
Infrastructure	22,024,143	22,045,149
Finance	10,018,691	10,018,691
Real Estate	6,712,296	6,712,296
Other	1,587,600	1,587,600
Total	**40,342,730**	**40,363,736**

Basic assumptions used in each segment for the purpose of impairment testing is as following:

Infrastructure operations:

As at 31 December 2009, the Group recognized TL 4,792,459 and TL 17.231.684 goodwill related to the purchase of Ortadoğu Port and Ege Port, respectively in its consolidated financial statements. The Group tested impairment by comparing goodwill amount with the value in use of the cash generating unit and concluded that no impairment exists. Cash flow forecasts are prepared until the end of port usage rights, which is 2033 for Ortadoğu Port and 2028 for Ege Port. Basic assumption is that the expected increase in the intensity of the port activity will increase operational profit. Cash flows used to calculate value in use are prepared in USD.

Finance operations:

The Group tested impairment of assets of Global Menkul in order to test the goodwill amounting to TL 10,018,691 recognised in the consolidated financial statements. The Group compared the amount of goodwill with the value in use of cash generating unit and has concluded that there is no impairment. This calculation is based on the cash flows derived from five years financial budget approved by the management. In order to estimate infinite cash flows after five years of projection, the Group has used 2% growth rate which does not exceed expected economic growth rate of the country. Cash flows used to calculate value in use are prepared in USD.

Currency: Turkish Lira ("TL") unless otherwise stated.

Real estate operations :

The Group tested the impairment of the goodwill related to the acquisition of Maya amounting to TL 6,712,296. In such work, the Group compared the amount of goodwill carried on the consolidated financial statements, with Maya's fair value and has concluded that there is no impairment. Maya leased land in Tatlısu Magosa for 49 years from the Government of Cyprus in order to build hotels, villas and apartments for the Holiday Village project on leased land. As at reporting date, the conctruction has not been started on leased land, because the expropriation studies has not been completed. As at 31 December 2009, the fair value of these leased land is obtained by independent real estate appraisal company. The real estate appraisal company, which is authorized by CMB, uses market approach by reference to market prices of similar properties in the market to determine the fair value and concluded that the fair value of the property is TL 8,145,000, which is above the goodwill recognized in the consolidated financial statements.

Other operations:

The Group tested impairment on assets of SEM Yayıncılık in order to test the goodwill amounting to TL 1,587,600 recognized in the consolidated financial statements. The Group compared the amount of goodwill with the value in use of cash generating unit and has concluded that there is no impairment. This calculation is based on the cash flows derived from five years financial budget approved by the management. Cash flows used to calculate value in use are prepared in TL.
Market interest rates are used for discounting future cash flows to balance sheet date.

20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

20.1 Provisions - current

As at 31 December 2009 and 31 December 2008, provisions-current are comprised of the following:

	31 December 2009	31 December 2008
Letter of guarantee provision for İzmir Port (*)	10,389,330	-
Provision for lawsuits	1,512,158	1,316,261
Provision for termination indemnities	441,880	695,916
Provision for personnel premium	137,739	18,850
Other	59,516	91,286
	12,540,623	**2,122,313**

(*) The provision is related with the letter of guarantee given to İzmir Port tender which is explained in detail at Note 20.2 (viii).
As at 31 December 2009 and 31 December 2008, there is no non-current provision.

	Provision for lawsuit	Provision for termination indemnities	Provision for personnel premium	Letter of guarentee provision for İzmir Port	Other	Total
Balance at 1 January 2009	1,316,261	695,916	18,850	-	91,286	2,122,313
Provision made during the period	490,339	10,422	118,889	10,389,330	16,943	11,025,923
Paid	(133,226)	(206,359)	-	-	(48,713)	(388,298)
Provision reversed during the period	(161,216)		-	-	-	(161,216)
Transfer to assets held for sale	-	-	-	-	-	(58,099)
	-	-	-	-	-	(58,099)
Balance at 31 December 2009	**1,512,158**	**441,880**	**137,739**	**10,389,330**	**59,516**	**12,540,623**

	Provision for lawsuit	Provision for termination indemnities	Provision for personnel premium	Other	Total
Balance at 1 January 2008	386,688	614,920	28,724	191,319	1,221,651
Provision made during the period	929,573	80,996	(9,874)	46,776	1,047,471
Paid	-	-	-	(146,809)	(146,809)
Balance at 31 December 2008	1,316,261	695,916	18,850	91,286	2,122,313

As at 31 December 2009, provision for lawsuits amounting to TL 490,339 and provision for termination indemnities amounting to TL 10,422 are shown in operating expenses. Reversal of lawsuit provision amounting to TL 161,217 is shown in other operating income. TL 111,673 of personnel premium expense is shown in operating expense and TL 9,417 of personnel expense is shown in cost of sales. Provision for letter of guarantee of İzmir Port is shown in financing expense. Other provisions is shown in other operating expenses.

As at 31 December 2008, provision for lawsuits amounting to TL 599,314 and TL 330,259 is shown in other operating expenses and general administrative expenses, respectively. Provision for termination indemnities and personnnel premium expenses amounting to TL 129,221 is shown in operating expense. Other provision expenses amounting to TL 43,798 and TL 3,298 are shown in other operating expense and operating expense, respectively.

20.2 Legal Issues

There are lawsuits pending that have been filed against or by the Group. The main ones of these lawsuits are the labor and debt cases. The management of the Group assesses the possible results and financial influence of these lawsuits at the end of each year and as a result of these assessments, the required provisions are made for those possible earnings and liabilities. The amount of provision that has been made as at 31 December 2009 is TL 1,512,158 (31 December 2008: TL 1,316,261). The information related with the significant lawsuits that the Group is directly or indirectly a party is as follows:

(i) For the lawsuit that was filed before the Council of State by two former members of the Kuşadası City Council in October 2006 in order to cancel the zoning plan which enables the construction of the Cruise Port Superstructure Facilities at Kusadasi Harbor of which one of the subsidiaries of the Group, were transferred the operating rights from the Privatization Administration for a period of 30 years. the Council of State issued a stay of execution of the zoning plan. The Group raised an objection against the injunction before the Plenary Session of the Administrative Law Divisions. As the injunction is an interim decision. there shall be waited for the verdict of the Council of State. The Group had obtained the construction permit on 1 August 2006 and the residential usage license certificate on 28 August 2006, thus the commercial activities are being performed in accordance with the lawfully granted permissions and licenses.

(ii) On 1 October 2006, Privatization Administration filed a lawsuit against a subsidiary claiming the restitution of the shares, which had been performed at ISE through the method of block sale by means of the intermediation of the aforementioned subsidiary in 2005. The subsidiary submitted defense to the lawsuit as it is neither the buyer nor the seller for the aforementioned transaction, however, only intermediated to this transaction. As the expert report was also in favor of the subsidiary, the court dismissed the lawsuit (with the intent of additional report) issued against subsidiary. The lawsuit is pending before the Appeal Court. The management and the attorneys of the Group do not anticipate any rejection of the appeal of the aforementioned lawsuit.

(iii) The Group has signed a share purchase agreement on 12 April 2007 by means of one of its subsidiaries in order to obtain a HES Project Production License. In accordance with the terms and conditions of this Agreement, the purchase price of USD 2,100,000 was wholly paid. Although, the transfer of shares had been implemented within the conditions specified in the sales agreement, thereafter the sellers filed a lawsuit for the restitution of the shares. The aforementioned lawsuit is pending. The management and the attorneys of the Group do not anticipate any rejection of the appeal of the aforementioned lawsuit.

(iv) The former owner of the shares of an subsidiary of the Group filed a lawsuit against the Group for the restitution of the shares. The lawsuit is before the local court. The expert submitted his report which was against the defendants. On 2 March 2010, the court decided to restitution of shares to the former owners and the trustee, previously appointed by the Court, shall remain in charge until the final decision. The Group lawyers shall appeal the decision upon the notification of the justified decision. As an trustee appointed to the aforementioned subsidiary by the Court on 1 January 2008, this subsidiary has no more been consolidated.

(v) Claimants stated that their money and stocks were transferred to other accounts by the ex-worker of Global Menkul and claimed a compensation regarding money, stocks and interest from Global Menkul (recently Global Yatırım Holding, as the title changed). The Group has performed a risk assessment regarding the cases and allocated provision amounting to TL 500,000 for the cases.

(vi) A lawsuit amounting to TL 542,595 has been filed against the Group for the receivables of TWP Eurosia Mühendislik Madencilik ve Danışmanlık Ticaret A.Ş ("TWP"). The Group disputed against this case as the defendant must not be a party to the case as it had not been provided the service. TWP declares that the service related with such receivables was provided to Global Yatırım Holding A.Ş and requested the payment of such amount. The Group management and attorneys has evaluated the situation and did not consider any provision to be provided.

(vii) Lawsuits related with Denizli land

The issues regarding the lawsuit filed against the Group before the Denizli Administrative Court related with the cancellation of change in zoning plan that also effects the land owned by a subsidiary of the Group are as follows: The Commission of the Public Works of the Municipality of Denizli's report regarding the acceptance of the rejection of the objections raised against the decision of the Municipality Assembly's dated 11 October 2006 # 640 within the objection period was accepted by Denizli Municipality assembly dated 9 January 2007 and numbered 54. The City Council members that previously objected the decisions filed a lawsuit against the acceptance of decision # 54. The case is recently at the fact finding stage and the expert council appointed by the Court reported that the decision #54 should be cancelled which then be objected by the Group. On 29 June 2007, the Denizli Branch of the Chamber of Architects of Turkey filed a lawsuit before the Denizli Administrative Court, requesting cancellation of the Denizli Municipality Assembly's decision numbered 54 dated 9 January 2007 as well as an injunction. Denizli Court rejected the stay of execution on 11 September 2007. The Court. then decided to conduct a discovery by the attendance of the experts. The subsidiary filed to intervene the lawsuit claiming to be a party along with the Denizli Municipality on 24 July 2008 and the Court accepted this demand on 17 September 2008.

The court dismissed the case in favor of the Group on 1 April 2009. However, the plaintiff's lawyers appealed the case. The case is recently before the Appeal Court.

(viii) The joint venture in which the Group also attends placed the highest bid for the tender regarding the privatization of the operating rights of TCDD İzmir Ports via transferring method conducted by the Privatization Administration on 3 July 2007. The High Council of Privatization Administration approved the tender. Liman-İş and Kamu İşletmeciliğini Geliştirme Merkezi Vakfı separately filed lawsuits for the cancellation of the tender. These lawsuits were rejected by the Council of State. Complainants appealed the verdicts. 1st Department of Council of State has approved the Privatization of Operating Rights without waiting for the approval of the 13th Department of Council of State. High Council of Privatization has invited the Joint Venture to sign the Agreement with a declaration dated 23 September 2009. Group has applied to High Council of Privatization Administration on 9 November 2009, in the name of Global-Hutchison-EIB Joint Venture, to extend the completion of the İzmir Liman privatization until 15 April 2010. As a result of this application. High Council of Privatization Administration has declared an extension of 45 days with the declaration dated 10 November 2009 and numbered B.02.1.ÖİB.0.10.05-101.06 S V051-7092. Following the extension of 45 days, with the declaration of High Council of Privitization Administration dated on 12 January 2010, letter of guarantee amounting to USD 15 million was converted to cash and in this way tender is closed out for the Group. In the same date, the Group paid USD 6,900,000 in terms of its portion in the joint venture group to the bank where the letter of guarantee is obtained. This issue is evaluated as adjusting event and provision amounting to USD 6,900,000 (TL 10.389.330) is accounted as at 31 December 2009.

(ix) The joint venture ("JV") consisting of Global Yatırım Holding A.Ş. & Energaz Gaz Elektrik Su Dağıtım A.Ş. ("Energaz") placed the highest bid (USD 1,610,000,000) for the tender held on 14 March 2008 in relation to the privatization of the shares of Başkent Doğalgaz Dağıtım A.Ş. ("Baskentgaz") owned the Municipality of Ankara via block sale method. As the tender specs Art.14 required the JV to be granted the permissions of the Authorities before the final approval of the tender. the shares of Başkent Doğalgaz Dağıtım AŞ were not transferred the Baskentgaz shares. As the precedure was still on. the Municipality applied to Asya Katılım Bankası A.Ş in order to enable the liquidation of the Bid Bond (Letter of Guarantee-LG) of USD 50 million. dated 11 March 2008, # 0428236 submitted to the Municipality as a requirement under the specs by Global. 51.66 % participant of the JV.

As the Group planned to file a lawsuit regarding the dissolve of the discrepancy for the payment of the Letter of Guarantee, as BOTAŞ (Boru Hatları ile Petrol Taşıma A.Ş.) initiated an execution process in accordance with the Article 79 of the Collection of the Public Receivables Act # 6183 against the Municipality, the Group first applied Beyoğlu Commercial Court file # 2008/271 in order the court to grant a precautionary measure to prevent the liquidation of the Letter of Guarantee of USD 50,000,000. The court issued a precautionary measure for collateral of the 15% of the Letter of Guarantee which enables to prevent the liquidation of the Letter of Guarantee. The Municipality raised an objection against the measure. which then was rejected by the Court.

The court hearing of the main case filed by the Group against the Ankara Metropolitan Municipality and BOTAŞ (Boru Hatları ile Petrol Taşıma A.Ş.) before the 1st Chamber of the Beyoğlu Commercial Court file # 2009/49 claiming to dissolve the discrepancy for the payment of the Letter of Guarantee and the restitution of the Letter of Guarantee was held on 26 March 2009. The court decided that he is not a competent court to conduct the case and that Ankara courts are competent to conduct the case. The Group appealed the resolution before the Appeal Court. The injunction to prevent the liquidation of the letter of guarantee is still in effect as at the report date.

On the other hand, the Group's lawyers filed a lawsuit before the Ankara Administrative Court against the Municipality, requesting cancellation of the Municipality Council's resolution regarding the forfeiture of the letter of guarantee given by JV as well as an injunction on 15 January 2010.

On 2 July 2009, a decision of the Turkish High Council of Privatization Administration's was published in the Official Gazette. Accordingly, the Privatization Administration shall be in charge in order to conduct and finalize the privatization process of the Başkentgaz shares as at the date of the decision. The attorneys and the Legal Counsel of the Group anticipate that the case shall be decided highly probably in favor of the Group.

(x) The Turkish Competition Authority launched an official investigation on 4 November 2009 against a joint venture of the Group. The Company submitted his first defense statement on 21 December 2009. The investigation report is not ready yet. Since the result of the investigation is not clear and the management of the Group can not foresee the outcome, no provision is made in the consolidated financial statements.

(xi) The Ministry of Finance has decided that the investment trusts shall be the tax payers of Banking and Insurance Transactions Tax. Therefore, on 4 August 2008, a subsidiary of the Group, conducting real estate investment business, received a tax statement covering the period of January 2003-September 2006 and a request for payment of TL 2,773,585 for the Banking and Insurance Transactions Tax. The subsidiary filed lawsuits before the Istanbul Tax Courts for each year separately against the Ministry in order to cancel the tax statements. The Group claimed that it has to be exempted from the corporate tax as it cannot be assumed as a banker in terms of the Act as it deals with the portfolio management and earns only stock income according to the capital markets legislation. The court decided to accept the case in favor of the Group. However, the lawyers of the Ministry appealed the case and recently, the case is before the Appeal Court. Thus, no provision is made in the consolidated financial tables.

21 COMMITMENTS

Letters of guarantees given

	31 December 2009	31 December 2008
Given to municipalities for tenders (USD) (*)	75,285,000	81,402,646
Given to Energy Market Regulatory Authority (USD, TL)	23,470,108	28,902,818
Given to Privatization Administration (USD)	4,470,376	19,623,055
Statkraft (Euro)	12,961,800	-
Given to İstanbul Stock Exchange (TL, USD, EURO)	6,934,337	7,219,408
Given to ISE Settlement and Custody Bank (TL)	4,925,000	4,425,000
Given to Banks (Euro)	3,563,782	3,531,614
Given to Capital Markets Board (TL)	1,333,426	1,340,168
Given to ministries (TL)	150,000	200,000
Given to courts (TL)	1,186,353	861,372
Given to BOTAS (USD)	745,172	748,588
Given to Tax Administration (TL)	402,657	392,657
Given to Electricity Distribution Comapnies (TL)	280,560	-
Given to Turkish Derivative Exchange Market (TL)	8,333,116	8,105,419
Other	521,009	853,252
Total	**144,562,697**	**157,605,997**
Mortgages on real estates (TL) (**)	100,406,663	79,861,994
Pledges on leased assets (***)	10,783,478	4,980,819
Equity securites given as guarantee (****)	58,297,548	11,840,888
Sureties given (USD)(*****)	6,775,650	6,805,350
Total contingent liabilities	**320,826,035**	**261,095,048**

(*) The amount consists of letter of guarantee amounting to USD 50,000,000 given for Başkent Doğalgaz as at 31 December 2009 and 31 December 2008.

(**) Mortgages on real estates

As at 31 December 2009 and 31 December 2008, there is a mortgage amounting to TL 20,000,000 over one of the buildings of Global Yatırım Holding A.Ş. with respect to the loans obtained.

As at 31 December 2009 and 31 December 2008, there is a mortgage on land of Bilecik Demir Çelik San. ve Tic. A.Ş amounting to USD 5,198,700 (TL 7,827,683) and TL 4,078,980 with respect to the loan obtained (31 December 2008: USD 5,198,700 (TL 7,861,994)).

As at 31 December 2009 and 31 December 2008, there is a mortgage on first degree amounting to TL 30,000,000 and TL 22,000,000 on the lands of Pera located in Denizli and Van. Besides, there is a mortgage on Denizli land amounting to TL 16,500,000 because of Pera's debt to one of the Group company amounting to TL 18,264,188.

Currency: Turkish Lira ("TL") unless otherwise stated.

(***) Includes the pledge on the machinery and equipment of Bilecik Demir Çelik San. ve Tic. A.Ş. amounting to USD 7,161,770 (TL 10,783,478) with respect to the leasing agreement made with a leasing firm (31 December 2008: USD 3,293,537, (TL 4,980,819)).

(****) Pledges on equity securities.

Energaz and its subsidiaries signed a loan agreement to obtain a loan amounting to USD seventy million in cash and thirty five million non-cash in 2 April 2007. In accordance with the "Share Pledge Agreement" prepared with respect to the loan agreement, the registered shares of the subsidiary stated below are pledged in favor of the lender.

This agreement is signed on 16 April 2008 with the approval of EMRA dated 24 December 2007. As at 31 December 2009, there are no changes with respect to the agreement.

	Par Value	**Units**	**Total Nominal Value**
Gaznet Şehir Doğalgaz Dağıtım A.Ş.	1 TL	7,497,175	7,497,175
Netgaz Şehir Doğal Gaz Dağıtım A.Ş.	1 TL	2,923,046	2,923,046
Kentgaz Denizli Doğal Gaz Dağıtım A.Ş.	1 TL	8,999,960	8,999,960
Kapadokya Doğal Gaz Dağıtım A.Ş.	1 TL	7,559,952	7,559,952
Olimpos Doğal Gaz Dağıtım A.Ş.	1 TL	16,199,928	16,199,928
Erzincan Doğal Gaz Dağıtım A.Ş.	1 TL	5,399,976	5,399,976
Karaman Doğalgaz Dağıtım Ltd. Şti.	25 TL	108,000	2,700,000
Aksaray Doğal Gaz Dağıtım A.Ş.	200 TL	17,992	3,598,400
Medgaz A.Ş.	1 TL	2,894,396	2,894,396
Total		**51,600,425**	**57,772,833**
Share Ratio			**49.99%**
Shares attributable to the Group			**28,880,639**

There is a pledge of assets amounting to TL 6,886,594 (31 December 2008: TL 6,886,594) with respect to the loan obtained from the related bank amounting to USD 40,000,000 at 30 November 2006 by Ortadoğu Liman, with a maturity of 10 years and an interest rate of Libor + 2.90.

There is a pledge in favor of the financial leasing company over 3,999,999 shares of Bilecik Demir Çelik San. ve Ticaret A.Ş. owned by the Group, shares with a par value of TL 1 amounting to TL 3,999,999, with respect to the leasing agreement made regarding the leased machinery and equipment with a value of USD 7,161,770 (TL 10,783,478) (31 December 2008: None). As at 31 December 2009, the Group has given marketable securities with a nominal value of USD 10,000,000 (TL 15,057,000) with respect to an ongoing lawsuit.

As mentioned in Note 7, government bonds with the carrying amount of TL 1,763,316 are given as pledge to the related banks. Letter of guarantee obtained from banks, related to the pledge mentioned above, is given to CMB and ISE as a pledge. As at 31 December 2009, the Group has pledged 3,000,000 shares of one of its subsidiaries with a par value of TL 0.57 amounting to TL 1,710,000 with respect to the guarantee for loan (31 December 2008: TL 750,000).

(*****) The shareholders of Bilecik Demir Çelik San. ve Tic. A.Ş. are jointly guarantors with respect to the loan obtained amounting to USD 4,500,000.

22 EMPLOYEE BENEFITS

The Group's accounting policies require the use of actuarial assumptions to estimate the provision for employee termination indemnities. The reserve for employee termination indemnity has been calculated by estimating the present value of future probable obligation of the Group arising from the retirement of the employees and is included in the consolidated financial statements. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	31 December 2009	**31 December 2008**
Discount rate	5.92%	6.26%
Turnover rate for the expectation of retirement probability	96%	96%

The major assumption is that the retirement pay liability determined for one service year is going to increase in line with the inflation. As at 31 December 2009, the provision for employee termination indemnities will be calculated over the ceiling of TL 2,365,16 (31 December 2008: TL 2,173,19). As at 1 January 2010, the provision for employee termination indemnities will be calculated over the ceiling of TL 2,427,03.

As at 31 December 2009 and 31 December 2008, the employee termination indemnity amounting TL 660,150 and TL 130,978 are shown under general administrative expenses, respectively.

Interest and service expenses of Energaz and its subsidiaries amounting to TL 10,079 and TL 83,867 are transferred to profit or loss from discontinued operations. During the year, severance pay amounting to TL 75,357 has been paid by Energaz and its subsidiaries.

	31 December 2009	**31 December 2008**
Balance at 1 January 2009	1,046,147	1,533,839
Interest for the period	115,076	168,722
Current service costs and actuarial (gains) / losses	545,074	(37,744)
Paid during the period	(485,128)	(618.670)
Transfer to assets held for sale	(141,585)	-
Balance at 31 December 2009	**1,079,584**	**1,046,147**

As at 31 December 2009 and 31 December 2008, the employee termination indemnity amounting TL 660,150 and TL 130,978 are shown under general administrative expenses, respectively.

Interest and service expenses of Energaz and its subsidiaries amounting to TL 10,079 and TL 83,867 are transferred to profit or loss from discontinued operations. During the year, severance pay amounting to TL 75,357 has been paid by Energaz and its subsidiaries.

Currency: Turkish Lira ("TL") unless otherwise stated.

23 OTHER ASSETS AND LIABILITIES

As at 31 December 2009 and 31 December 2008, other current assets comprised the following:

	31 December 2009	31 December 2008
VAT receivable	11,152,170	15,064,499
Income accruals	5,941,299	9,314,917
Advances given	858,951	3,814,717
Prepaid expenses	694,757	1,100,440
Personnel advances	524,923	449,556
Prepaid taxes (Note 31)	193,305	705,670
Other	413,364	562,423
Total	**19,778,769**	**31,012,222**

As at 31 December 2009 and 31 December 2008, other non-current assets comprised the following:

	31 December 2009	31 December 2008
Advances given	22,987,674	14,374,986
VAT (*)	-	2,292,043
Prepaid expenses	17,871	15,441
Other	43,077	51,481
Total	**23,048,622**	**16,733,951**

(*) The Group plans to receive VAT receivable in the year 2010 as a result of the termination of İzmir Port project. Such deferred VAT is reclassified to other current assets.

As at 31 December 2009 and 31 December 2008, other current liabilities comprised the following:

	31 December 2009	31 December 2008
Advances received	421,160	16,500,000
Deferred revenue	24,715	2,992,161
Accrued expenses	-	411,852
Other	2,726	25,790
Total	**448,601**	**19,929,803**

As at 31 December 2008, advances amounting to TL 16,500,000 is received from Tesco Kipa for the land of the Group in Balıkesir Merkez Gümüşçeşme.

As at 31 December 2009 and 31 December 2008, other non-current liabilities comprised the following:

	31 December 2009	31 December 2008
Deferred connection fee revenue	-	26,736,421
Other	-	10,225
Total	**-**	**26,746,646**

As at 31 December 2009, deferred connection fee revenue belongs to Energaz and its subsidiaries and their liabilities are classified as liabilities directly associated with assets held for sale.

24 EQUITY

24.1 Share capital / treasury shares

As at 31 December 2009 and 31 December 2008, the Company's statutory nominal value of paid-in share capital consists of 225,003,687 registered shares with a par value of TL 1 each.

The issued capital of the Company is TL 225,003,687 and the authorized capital ceiling is TL 650,000,000. As at 6 August 2009 and 13 March 2008, the shareholders structure of the Group derived from list of attendants to the General Assembly is as follows:

	2009		2008	
	Proportion of share %	**Value of share**	**Proportion of share %**	**Value of share**
Mehmet Kutman	20.15	45,344,006	1.49	3,352,555
Ecofin Global Utilities Master Fund Ltd.	8.03	18,072,076	5.83	13,110,122
Ecofin Special Situations Utilities Master Fund Ltd	7.31	16,456,716	4.64	10,448,865
Ecofin Water and Power Opportunities Plc	2.22	5,000,000	-	-
Genesis Emerging Markets Fund Ltd	0.44	1,000,092	-	-
Erol Göker	0.22	488,707	0.006	13,500
Avrasya Yatırım Holding A.Ş.	-	-	14.65	32,963,040
Publicly traded shares	61.63	138,642,090	83.854	165,115,605
Total	**100**	**225,003,687**	**100**	**225,003,687**
Inflation accounting adjustment		34,659,630		34,659,630
Inflation adjusted capital		**259,663,317**		**259,663,317**

Accumulated losses arising from the first-time application of inflation accounting on 31 December 2003 were deducted from other equity items in accordance with the resolution of the General Assembly dated 12 November 2007. However, according to the resolution of the CMB concluding a step-by-step deduction, first from the period income then from other equity items, the related adjustment has been recorded in accordance with the resolution of the General Assembly dated 13 March 2008.

The shares of the Company include privileged shares. The privileges of the (A), (D) and (E) group shares are explained below:

Two of the members of the Board of Directors are chosen among the candidates nominated by the owners of the group (A) shares. One of the members of the Board of Directors is chosen among the candidates nominated by the owners of the group (D) shares and one of them is chosen among the candidates nominated by the owners of the group (E) shares. Each member of the board is chosen by the decision of the majority of the shareholders of the privileged share group that nominated the candidate. All the shareholders have the right to nominate any candidate but, in order to select such candidates for the General Assembly, the nominations should be approved by the group (A) shares before the selection. All the shareholders have the right to nominate for two candidates for the Board. In case that group (D) and group (E) shares cannot nominate any candidate, any shareholder can nominate a candidate.

Since the privileged shares are in contradiction with the "Corporate Management Principles", the Group attempts to revoke the privileged shares in the light of the reorganization and partnership configuration project realized by the Group. For this purpose it is decided that;

a) The Company will purchase (A), (D) and (E) group shares of 25,000,020 with the amount of TL 2,500,020 and after the completion of share purchase, shares will be abolished;

b) The Company will work on estimating the fair value of the privileged shares, and will apply to the Commercial Court to request an expert to be appointed on this issue;

c) The 6th, 8th and 9th Articles of the corporation chart will be amended;

d) The General Manager is authorized to apply to the CMB and related authorities for the related permissions. and fulfill other procedures.

Some of the subsidiaries of the Company repurchase shares of the Company from the capital markets. The repurchased shares are called as treasury shares. The shares can be sold back to the market. Profit or loss occurred as the result of the sale of the shares is as accounted under retained earnings in the consolidated financial statements. As at 31 December 2009, the Group's subsidiaries held 14,896,106 number of Global Yatırım Holding A.Ş. shares (31 December 2008: 13,760,374), with the cost of TL 11,565,130 (31 December 2008: TL 8,004,433).

24.2 Share premiums

Share premiums represent the inflow of cash arising from the sales of shares on market value. The premium amount is included in shareholders' equity and can not be distributed. It can only be used for the future capital increases. As at 31 December 2009 and 31 December 2008, the share premiums of the Group is TL 174,513.

24.3 Revaluation reserve

As at 31 December 2009 and 2008, the revaluation reserve comprises the cumulative net change in the fair value of available-for-sale financial assets.

24.4 Restricted reserves

Under Turkish Commercial Code, Turkish companies are required to set aside first and second level restricted reserves out of their profits. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's restated share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's restated share capital. However, Holding companies are not subject to this regulation. Legal reserves are only available for netting off losses unless they exceed 50% of the historical paid-in share capital otherwise they are not allowed to be used for other purposes. As at 31 December 2009 the legal reserves of the Group is TL 1,284,711 (31 December 2008: 4,076,075 TL).

The companies which are quoted to ISE are subject to the following dividend conditions as per required by CMB: According to the decision of CMB on 25 February 2009 numbered 7/242, the net amount of distributable profit that is calculated per CMB's minimum profit distribution requirements will be wholly distributed if met by the net distributable profit of statutory records. If the amount per CMB is not met by statutory records, the amount to be distributed will be limited to the amount at the statutory records. If losses are incurred in either of CMB or statutory financial statements, no profit will be distributed. In chapter 1 of 2010/4 weekly bulletin of CMB, to determine the principles of dividend obtained from 2008 operations of corporations coated to stock exchange market, it is stated that;

* For corporations traded at stock exchange market, there is not a determined minimum portion of distribution; in this aspect the profit to be distributed will be determined in line with the announcements of CMB Serial IV, Number 27, the articles of the incorporation and will be in accordance with the declarations made to public.

* For corporations that are obliged to issue consolidated financial statements, as long as met from the statutory profit; it is permitted to calculate the net distributable profit in line with the CMB's Serial XI, Number 29 "Bases for Financial Reporting in the Capital Markets" announcement which is also the profit declared at the consolidated financial statements.

* The Corporation shall present disclosures that statutory current year profit after previous year losses deducted and total amount of other resources made object of dividend in financial statements prepared in accordance with CMB Communiqué Serial: XI, Number 29.

* For corporations traded at stock exchange market, when it is decided to distribute profits at the board of directors meeting and will be proposed to the general assembly of the company, or when profit distribution is decided at the general assembly of the direct partnerships; correspondent to that decision in accordance with the announcement of CMB's Serial VIII, Number 54 "Bases for the Declaration of Special Situations", in the appendix of special situation announcement, the profit distribution tables of the Profit Distribution Preparation Guideline will also be declared.

According to CMB's decision on 27 January 2010 numbered 02/51, corporations traded on the stock exchange market are not obligated to distribute a specified amount of dividends (2008: 20%). For corporations that will distribute dividends, in relation to the resolutions in their general assembly the dividends may be in cash, may be free by adding the profit into equity, or may be partially from both; it is also permitted not to distribute determined first party dividends falling below 5% of the paid-in capital of the company but, corporations that increase capital before distributing the previous year's dividends and as a result their shares are separated as "old" and "new" are obligated to distribute first party dividends in cash. The Company's net profit for the period in the statutory books is TL 79,363,389, accumulated losses of the Company is TL 62,474,474.

The Group has sold 95% share of its subsidiaries, Yeşil Enerji, and the profit in statutory books are exempted from tax, based on Corporate Tax Law Number 5520 5/e. In order to benefit from the tax exemption, TL 70,078,679 will be accounted in a special fund under equity of the statutory records.

As at reporting date, decision about dividend distribution for 2009 has not been taken.

24.5 Retained Earnings / Accumulated Losses

The retained earnings/accumulated losses excluding the net income/loss for the period, and the general reserves which has retained earnings/accumulated losses nature are included in retained earnings/accumulated loss account. As at 31 Decemeber 2009, accumulated losses of the Group are TL 48,863,751 (31 December 2008: Retained earnings TL 15,871,193). The Group paid a net consideration of TL 3,279,498 and TL 523.138 for acquisiton and sale of its subsidiary's, Pera's, shares in capital markets for the year ended 31 December 2009 and 2008, respectively. As a result of these transactions, the Group's share in Pera decreased to 28,21% and 28,15% as at 31 December 2008 and 31 December 2009, respectively. The Group recognised a loss amounting to TL 1,851,131 as the difference between the Group's share in net assets and net consideration paid in retained earnings and minority interest increased by TL 63,923 as at 31 December 2009.

Currency: Turkish Lira ("TL") unless otherwise stated.

25 SALES AND COST OF SALES

For the years ended 31 December 2009 ve 31 December 2008, the Group's revenues on the basis of operations comprised the following:

Sales revenues	**2009**	**2008**
Port operating and rent revenue	41,797,348	37,364,694
Real estate sales revenue	21,500,000	-
Other	4,878,772	1,160,075
Total	**68,176,120**	**38,524,769**
Cost of sales		
Cost of operating ports	(14,278,629)	(11,859,547)
Cost of real estate sales	(17,434,416)	-
Other	(5,004,518)	(1,913,915)
Total	**(36,717,563)**	**(13,773,462)**
Gross profit from trade operations	**31,458,557**	**24,751,307**

Interest, fee, premium, commission and other revenues	**2009**	**2008**
Agency commissions	17,158,532	13,031,132
Gain on sale of marketable securities	4,998,105	-
Interest received from customers	4,756,652	7,348,229
Portfolio management fees	1,579,770	1,482,707
Insurance agency commissions	215,773	344,229
Corporate finance fees	19,119	419,786
Other revenue	521,254	890,809
Total	**29,249,205**	**23,516,892**
Interest, fee, premium, commission and other expenses		
Interest charges from loans delivered to customers	(1,555,972)	(3,190,589)
Commission charges	(1,050,338)	(1,335,001)
Loss on sale of marketable securities	-	(19,597,522)
Total	**(2,606,310)**	**(24,123,112)**
Gross profit from finance operations	**26,642,895**	**(606,220)**
Gross Profit	**58,101,452**	**24,145,087**

26 OPERATING EXPENSES

26.1 Selling and marketing expenses

For the years ended 31 December 2009 and 2008, selling and marketing expenses comprised the following:

	2009	2008
Advertising and promotion expenses	587,647	722,219
Stock market participation share	582,736	503,178
Commission expense of derivative exchange market	553,277	380,715
Personnel expenses	200,704	138,871
ISE settlement and custody expenses	132,336	132,186
Other	397,295	449,708
	2,453,995	**2,326,877**

26.2 General and administrative expenses

For the years ended 31 December 2009 and 2008, general and administrative expenses comprised the following:

	2009	2008
Personnel expenses	26,431,856	31,877,251
Consultancy expenses	5,567,826	4,326,472
Depreciation and amortization expenses	4,752,623	4,192,593
Donations	3,994,243	88,140
Travelling expenses	3,672,239	2,398,413
Bad debt expenses (Note 10 and 33)	2,703,079	231,722
Taxes other than on income	2,456,413	2,061,050
Communication expenses	1,446,490	938,046
IT expenses	1,347,308	1,484,501
Office operating expenses	1,310,970	1,292,329
Rent expenses	985,271	1,533,524
Vehicle expenses	873,816	935,333
Representation expenses	709,327	267,600
Repair and maintenance expenses	304,303	424,072
Stationary expenses	202,028	329,003
Insurance expenses	120,854	136,198
Other expenses	8,285,909	11,389,068
	65,164,555	**63,905,315**

Currency: Turkish Lira ("TL") unless otherwise stated.

27 EXPENSES BY NATURE

For the years ended 31 December 2009 and 2008, the breakdown of personnel, depreciation and amortization expenses comprised the following:

Personnel expenses	**2009**	**2008**
Cost of sales	5,033,804	4,717,628
Selling and marketing expenses (Note 26.1)	200,704	138,871
General administrative expenses (Note 26.2)	26,431,856	31,877,251
	31,666,364	**36,733,750**

Depreciation and amortization expenses	**2009**	**2008**
Cost of sales	4,469,461	3,444,253
General administrative expenses (Note 26.2)	4,752,623	4,192,593
Depreciation expense of assets held for sale (*)	1,998,213	3,648,829
Depreciation expense of subsidiaries sold	471,822	-
	11,692,119	**11,285,675**

(*) The Group calculated depreciation on assets held for sale until it is decided to classify such assets as asset held for sale. For the years ended 31 December 2009 and 31 December 2008, the depreciation expenses, TL.

28 OTHER OPERATING INCOME/EXPENSES

For the years ended 31 December 2009 and 2008, other income and expenses comprised the following:

28.1 Other operating income

	2009	2008
Gain on sale of subsidiary (Note 35)	110,059,324	-
Gain on sale of investments in associates (Note 14)	19,084,467	-
Change in fair value of investment property	5,969,670	-
Dividend income	1,572,797	733,863
Gain on sale of tangible assets	9,132	-
Negative goodwill (Note 19)	-	35,630,126
Other (*)	1,143,712	6,988,158
Total	**137,839,102**	**43,352,147**

(*) For the year ended 31 December 2008, the amount includes consulting revenue earned from the Group's joint venture amounting to TL 4.965.305.

28.2 Other operating expense

	2009	2008
Impairment of investment property (*)	12,846,430	2,920,243
Provision expenses (**)	579,018	786,815
Loss from sale of tangible assets	180,109	1,594
Goodwill impairment	-	5,870,700
Other	936,631	358,738
Total	**14,542,188**	**9,938,090**

(*) As at 31 December 2009, the Group has compared the fair value and the carrying value of Düzce-Aksu's assets, which were transferred to assets held for sale and recognized an impairment for the difference between the fair value and the carrying value, amounting to TL 7.012.003, in its consolidated financial statements.

As at 31 December 2009, the Group has compared the recoverable amount and the carrying value of İzmir Liman's assets and recognized an impairment for the difference between value in use and carrying value, amounting to TL 5.834.427, in its consolidated financial statements.

(**) For the year ended 31 December 2009, the amount includes allowance for other receivables amounting to TL 562.075. For the year ended 31 December 2008, the amount includes allowance for VAT receivables amounting to TL 144.023.

Currency: Turkish Lira ("TL") unless otherwise stated.

29 FINANCE INCOME

For the years ended 31 December 2009 and 2008, finance income of the Group comprised the following:

	2009	2008
Foreign exchange gains	55,856,841	106,161,528
Interest income	4,831,729	7,797,787
Other finance income	4,524	989,244
Total	**60,693,094**	**114,948,559**

30 FINANCE EXPENSES

For the years ended 31 December 2009 and 2008, finance expenses of the Group comprised the following:

	2009	2008
Foreign exchange losses	52,225,238	141,719,534
Loan interest expenses (*)	18,870,252	19,121,532
Letter of guarantee provision for İzmir Port (Note 20)	10,389,330	-
Letter of guarantee commissions	2,960,932	480,062
Loss in fair value of financial assets at fair value through profit or loss	629,480	10,928,683
Other	803,971	1,910,822
Total	**85,879,203**	**174,160,633**

(*) Interest expenses belong to Energaz and its subsidiaries amounting to TL 3.715.097, have been transferred to net loss from discontinued operations.

31 TAX ASSETS AND LIABILITIES

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities as at 31 December 2009 and 31 December 2008, are attributable to the items detailed in the table below:

	31 December 2009		**31 December 2008**	
	Temporary differences	**Deferred tax assets/ (liabilities)**	**Temporary differences**	**Deferred tax assets/ (liabilities)**
Tax losses carried forward	56,251,540	11,250,308	75,128,828	15,025,766
Letter of guarentee provision for Izmir port	10,389,330	2,077,866	-	-
Investment allowance	6,951,212	1,390,242	-	-
Other	5,382,630	981,288	6,319,360	1,263,872
Change in value of derivative instruments	3,013,854	602,771	9,530,813	1,906,163
Valuation differences of marketable securities	3,892,194	778,439	6,216,177	1,243,235
Bad debt provision	2,041,983	408,397	633,896	126,779
Provisions	1,868,094	373,619	1,117,506	223,499
Write off of project expenses	1,657,993	331,599	1,977,155	395,431
Provision for employee termination indemnity	968,590	205,167	989,873	197,975
Deferred connection revenue	-	-	27,314,406	5,462,881
Valuation of intangible assets	(39,521,958)	(7,867,863)	(60,605,001)	(12,121,000)
Valuation of investment property	(23,313,157)	(4,662,631)	-	-
Tangible and intangible assets	(16,454,960)	(3,290,992)	(22,194,955)	(4,438,991)
Impact of elimination of profit on sale of investment in associates	11,250,588	2,250,118	(13,434,947)	(2,686,989)
Duty-free income accrual	(5,780,659)	(1,734,198)	-	-
IAS 39 effect on loans	(3,910,596)	(782,119)	(2,041,910)	(408,382)
		2,312,011		**6,190,240**

Currency: Turkish Lira ("TL") unless otherwise stated.

In Turkey the tax legislation does not permit a parent company, its subsidiaries and associates to file a consolidated tax return. Therefore, deferred tax positions of companies with deferred tax assets and companies with deferred tax liabilities are not netted and are disclosed separately.

As at 31 December 2009 and 31 December 2008, the deferred tax assets and liabilities reflected to the consolidated financial statements are as follows:

	31 December 2009	31 December 2008
Deferred tax assets	15,045,759	22,264,437
Deferred tax liabilities	(12,733,748)	(16,074,197)
	2,312,011	**6,190,240**

As at 31 December 2009 and 31 December 2008, corporate tax liability fort he period comprised the following:

Corporate tax liability for the period	31 December 2009	31 December 2008
Current tax charge	1.339.186	218,649
Current tax charge reclassified to discontinued operations	-	73,732
Taxes paid during period	(1.185.987)	(975.585)
Total	**153,199**	**(683.204)**
Plus: Prepaid taxes (Note 23)	193,305	705,670
Minus: Transferred liability related to sale of Yeşil	(46.109)	-
Plus: Payment of previous year tax liability	22,466	-
Income tax payable	**322,861**	**22,466**

Corporate tax:

Provision is made in the accompanying consolidated financial statements for the estimated charge based on the each of the Group entities' results for the year.

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

In Turkey, advance tax returns are measured and accrued on a quarterly basis. The advance corporate income tax rate for each quarter and as at 31 December 2009 is 20% (31 December 2008: 20%).

Losses can be carried forward for offsetting against future taxable income for up to 5 years. Losses cannot be carried back. In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Investment allowance:

The Temporary Article 69 added to the Income Tax Law no.193 with the Law no.5479, which became effective starting from 1 January 2006. upon being promulgated in the Official Gazette No:26133, dated 8 April 2006, stating that taxpayers can deduct the amount of the investment allowance exemption which they are entitled to according to legislative provisions effective at 31 December 2005 (including rulings on the tax rate) only from the taxable income of 2006. 2007 and 2008. Accordingly, the investment incentive allowance practice was ended as of 1 January 2006. At this perspective. an investment allowance which cannot be deducted partially or fully in three years time was not allowed to be carried forward to the following years and became unavailable as of 31 December 2008. On the other side, the Article 19 of the Income Tax Law was annulled and the investment allowance practice was ended as of 1 January 2006 with effectiveness of the Article 2 and the Article 15 of the Law no.5479 and the investment allowance rights on the investment expenditures incurred during the period of 1 January 2006 and 8 April 2006 became unavailable.

However, at 15 October 2009, the Turkish Constitutional Court decided to cancel the clause no.2 of the Article 15 of the Law no.5479 and the expressions of "2006, 2007, 2008" in the Temporary Article 69 related to investment allowance mentioned above that enables effectiveness of the Law as of 1 January 2006 rather than 8 April 2006, since it is against the Constitution. Accordingly, the time limitations for the carried forward investment allowances that were entitled to in the previous period of mentioned date and the limitations related with the investments expenditures incurred between the issuance date of the Law promulgated and 1 January 2006 were eliminated. According to the decision of Turkish Constitutional Court, cancellation related with the investment allowance became effective with promulgation of the decision on the Official Gazette and the decision of the Turkish Constitutional Court was promulgated in the Official Gazette no.27456 dated 8 January 2010.

According to the decision mentioned above, the investment allowances carried forward to the year 2006 due to the lack of taxable income and the investment allowances earned through the investments started before 1 January 2006 and continued after that date constituting economic and technical integrity will be used not only in 2006, 2007 and 2008, but also in the following years. In addition, 40% of investment expenditures that are realized between 1 January 2006 and 8 April 2006, within the context of the Article 19 of the Income Tax Law will have the right for investment allowance exemption.

Explanations regarding deferred tax:

Due to the above-mentioned cancellation decision of the Constitutional Court, the Group's joint venture, Ege Liman's and Energaz and its subsidiaries' unused investment incentives could be used as a tax exempt without time limit. As at 31 December 2009, since these companies with unused investment incentives can benefit the exemption in the future, a total deferred tax asset amounting to TL 2.621.703 has been recognized in the consolidated financial statements, and an amount of TL 1.231.461 has been reclassified to assets held for sale.

Currency: Turkish Lira ("TL") unless otherwise stated.

Income witholding tax:

In addition to corporate taxes, companies should also calculate income withholding taxes on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. The rate of income withholding tax is 10% starting from 24 April 2003. This rate was changed to 15% with the code numbered 5520 article 15 commencing from 21 September 2006. After the resolution, declared in Official Gazette on 23 July 2006, this rate was changed to 15% thereafter. Undistributed dividends incorporated in share capital are not subject to income withholding taxes. According to the Corporate Tax Law, 75% of the capital gains arising from the sale of tangible assets and investments in equity shares owned for at least two years are exempted from corporate tax on the condition that such gains are reflected in the equity with the intention to be utilised in a share capital increase within five years from the date of the sale and the sale amount is collected within two years following the year in which the sale is realized. The Company exempted gain on sale of subsidiary amounting to TL 70.078.679 arising from the sale of Yeşil Enerji to Statkraft AS in the computation of corporate tax in accordance with Board Minute taken on 13 November 2009.

For the years ended 31 December 2009 and 2008, tax income/(expense) comprised the following:

	31 December 2009	31 December 2008
Adjustment to previous period tax expense	(55,026)	-
Current tax charge	(1,284,160)	(218,649)
Deferred tax benefit /(expense)	(530,654)	10,624,568
Total	**(1,869,840)**	**10,405,919**

The tax reconciliation for the years ended 31 December 2009 and 2008 are as follows:

	%	2009	%	2008
Profit/(loss) before income tax		78,505,213		(99,643,515)
Corporate tax using domestic rate	20	(15,701,043)	20	19,928,703
Disallowable expenses	3.28	(2,574,973)	(0.95)	(944,768)
Effect of losses of investments in equity accounted investees	0.44	(343,488)	(0.94)	(932,135)
Effect of different tax rates	0.84	(661,854)	(0.89)	(885,467)
Effect of exemption of the gain on the sale of subsidiary	(17.85)	14,015,736	-	-
Effect of non-taxable income	(2.53)	1,984,481	(1.18)	(1,174,140)
Effect of loss on the sale of subsidiary	(1.76)	1,379,560	-	-
Effect of gain on sale of the shares to minority interest	(3.53)	2,770,417	-	-
Investment allowance	(3.34)	2,621,703	-	-
Effect of negative goodwill	-	-	6.92	6,898,943
Effect of unrecognized tax losses	2.49	(1,951,826)	(5.67)	(5,645,480)
Other	0.75	(590,175)	(2.36)	(2,356,122)
	(1.21)	**948,538**	**14.94**	**14,889,534**
Profit/(loss) before income tax of continuing operations		86,876,266		(72,545,797)
Loss before income tax of discontinued operations		(8,371,053)		(27,097,718)
		78,505,213		**(99,643,515)**
Current tax expense of continuing operations		(1,339,186)		(218,649)
Deferred tax income / (expense) of continuing operations		(530,654)		10,624,568
		(1,869,840)		**10,405,919**
Current tax expense of discontinued operations		-		(73,732)
Deferred tax income / (expense) of discontinued operations (Note 36)		2,818,378		4,557,347
		2,818,378		4,483,615
		948,538		**14,889,534**

Currency: Turkish Lira ("TL") unless otherwise stated.

The movement of deferred tax for the years ended 31 December 2009 and 31 December 2008 is as follows:

	31 December 2009	31 December 2008
Balance at the beginning of the year	6,190,240	(11,987,020)
Deferred tax income / (expense)	(530,654)	15,181,915
Currency translation difference	75,307	(1,500,149)
Recognized in equity	560,259	599,145
Effect of purchase of subsidiary / joint venture	-	(15,054,873)
Effect of subsidiary that is not consolidated	(54,673)	(138,060)
	6,240,479	**(12,899,042)**
Effect of reclassification to assets held for sale	(3,928,468)	19,089,282
	2,312,011	**6,190,240**

32 EARNINGS PER SHARE

For the years ended 31 December 2009 and 2008, earnings per share is calculated by dividing the net profit amounting to TL 79.952.799 and net loss amounting to TL 66.823.204 respectively, attributable to ordinary shareholders, to the weighted average number of shares outstanding.

	2009	2008
Net profit / (loss) for the year	79,952,799	(66,823,804)
Net profit from continuing operations for the year	82,706,812	(55,676,517)
Weighted average number of shares	225,003,687	225,003,687
Weighted average number of ordinary shares	225,003,687	225,003,687
Number of shares held by the Group (Note 24.1)	(14,896,106)	(13,760,374)
Weighted average number of shares	210,107,581	211,243,313
Earnings per share with par value of TL 0.01 (TL full)	0.3805	(0.3163)
Earnings per share of continuing operations with par value of TL 0.01 (TL full)	0.3936	(0.2636)

33 RELATED PARTY DISCLOSURES

Due from related parties

As at 31 December 2009 and 31 December 2008, due from related parties comprised the following:

Trade receivables from related parties - current	31 December 2009	31 December 2008
Mehmet Kutman (*)	6,577,776	2,287,452
Avrasya Yatırım Holding A.Ş.(**)	-	6,019,227
Global Menkul Değerler A.Ş A Tipi Fon	322,926	46,200
Global Menkul Değerler A.Ş B Tipi Fon	66,216	39,546
Other	286,499	431,019
Total	**7,253,417**	**8,823,444**

(*) Includes balances with respect to margin lending transactions.

(**) Avrasya Yatırım Holding A.Ş. has sold its Global Yatırım Holding A.Ş. shares on 6 August 2009 and as at 31 December 2009, it is not a related party.

Since the Group's balance of one of its credit customers Avrasya Yatırım Holding A.Ş., shows non-compliance with the clauses of the communique of CMB in credit transactions, the Group decided to liquidate the customer account amounting to TL 6.141.127 as at 26 January 2009. According to the protocol signed on 20 Februbary 2009; cash collection amounting to TL 2.500.000 is made form the sale of shares between 24 February - 16 March 2009 and on 7 July 2009, cash collection amounting to TL 500.000 is made. Two bills of exchange amounting to TL 500.000 with the maturity of 31 December 2009 have been obtained. After the balance sheet date, the collection of the bills have been made and the remaining account amounting to TL 2.640.627 has been written-off.

Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2009 and 31 December 2008, other current receivables from related parties comprised the following:

Other receivables from related parties - current	31 December 2009	31 December 2008
Erol Göker	1,595,429	572,418
Enerji Yatırım Holding A.Ş.	1,495,134	-
Bilecik Demir Çelik	279,461	-
İzmir Liman İşletmeleri A.Ş.	264,865	2,465,730
Tahsin Bensel	233,688	325,065
Mehmet Kutman	44,054	2,164,305
Avrasya Yatırım Holding A.Ş.	-	550,175
Metangaz A.Ş.	-	228,809
Receivables from personnel	-	447,251
Boğaziçi Holding A.Ş.	-	18,156,871
Kuşadası Turizm Yatırımları A.Ş.	-	2,707,444
Other	710,490	388,594
Total	**4,623,121**	**28,006,662**

As at 31 December 2009 and 31 December 2008, other non-current receivables from related parties comprised the following:

Other receivables from related parties-non current	31 December 2009	31 December 2008
Ortadoğu Liman İşletmeleri A.Ş.	8,135,697	7,459,726
Torba İnşaat ve Turistik A.Ş	4,998,972	4,975,032
Enerji Yatırım Holding A.Ş.	-	672,287
Çorumgaz Doğalgaz Dağıtım San. Ve Tic. A.Ş.	-	822,338
Other	-	447,648
Total	**13,134,669**	**14,377,031**

As at 31 December 2009, one of the subsidiaries of the Group has given unsecured loans to the key management, with a limit of USD 10.000.000, having yearly coupon payments and principal payment at the end of period with a maturity of 2 years. As at 31 December 2009, this loan amounting to USD 10.000.000 (TL: 15.057.000) is reclassified to short term since the loan's maturity is 2010 (31 December 2008: USD 5.340.039 - TL 8.075.739).

Due to related parties - current

As at 31 December 2009 and 31 December 2008, current payables to related parties comprised the following:

Trade payables to related parties - current	31 December 2009	31 December 2008
Other	-	1,039,330
Total	**-**	**1,039,330**

Other payables to related parties - current	31 December 2009	31 December 2008
Energaz	668,678	668,678
Ortadoğu Liman İşletmeleri A.Ş.	-	27,904
Other	158,320	335,207
Total	**826,998**	**1,031,789**

Due to related parties non - current

As at 31 December 2009 and 31 December 2008, non-current payables to related parties comprised the following:

Other payables to related parties - non current	31 December 2009	31 December 2008
Medgaz A.Ş.(*)	-	1,219,758
Kentgaz A.Ş.(*)	-	545,799
Other	16,220	396,683
Total	**16,220**	**2,162,240**

(*) As at 31 December 2009, the balances have been transferred to liabilities directly associated with assets held for sale.

Currency: Turkish Lira ("TL") unless otherwise stated.

Transactions with related parties

Transactions with key management personnel
For the years ended 31 December 2009 ve 2008, the details of benefits to key management personnel comprised the following:

	31 December 2009	31 December 2008
Salaries	7,348,008	7,878,305
Attendance fees for Board of Directors	1,127,354	825,606
Bonuses	603,466	710,041
Other	241,867	199,977
Total	**9,320,695**	**9,613,929**

Key management personnel compensation comprised of short term employee benefits.

Transactions with other related parties

For the years ended 31 December 2009 and 2008, significant transactions with related parties comprised the followings:

	31 December 2009		31 December 2008		
	Interest Received	Commissions received	Interest Received	Other	Commissions received
Mehmet Kutman (*)	1,944,379	328,211	261,198	-	-
Ortadoğu Liman İşletmeleri A.Ş.	483,361	-	237,850	-	-
Avrasya Holding A.Ş.(**)	289,467	1,936	1,652,726	-	316,961
Erol Göker	169,482	-	88,947	-	-
Boğaziçi Holding A.Ş.	-	-	1,257,165	-	-
İzmir Liman İşletmeciliği A.Ş	-	-	-	5,636,442	-
Kuşadası Turizm Yatırımları A.Ş	-	-	136,194	-	-
Total	**2,886,689**	**330,147**	**3,634,080**	**5,636,442**	**316,961**

(*) Includes margin lending interest.

(**) Since Avrasya Yatırım Holding A.Ş. has sold its Global Yatırım Holding A.Ş. shares on 6 August 2009, transactions after that date is not included in related party transactions.

34 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management

The Group has exposure to the various risks from its use of financial instruments. These are credit risk, liquidity risk and market risk. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.
The responsibility of setting up and following up of risk management processes belongs to management of the Group. The risk management policies of the Group were set up according to ascertaining and measuring the risk faced, determining adequate risk limits and monitoring the fluctuations. Risk management policies and systems are reviewed to cover the operations of the Group and changes in market conditions.

34.1 Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and financial investments. Management has a credit risk policy in place to monitor the exposure to credit risk on an ongoing basis. The Group has the ability to receive collaterals for its financial assets. Furthermore, the Group obtains letters of guarantee or similar collaterals from third parties for specific agreements and projects, if necessary.

Regarding the credibility of the counterparty, letters of guarantee or advance payments are received as collaterals of trade receivables from port operations. According to the related law and regulations, natural gas distribution companies collect security deposits from their customers, to guarantee the two months' consumption per customer on average. Credit risk resulting from brokerage activities of the Group are managed by the related companies' risk committees through the regulations on credit sales of securities promulgated by the CMB. Within the context of credit risk policies described in this paragraph, the Group does not have significant credit risk from port operations, natural gas distribution and financial operations which constitute major part of the Group's operations. As at 31 December 2009, natural gas distrubition activities are followed as assets held for sale and are not included in the credit risk table in 2009.

The Group enters into transactions with accredited parties or the parties that an agreement is signed in financial markets. The transactions in the treasury operations is performed by conditional exchanges through custody cash accounts. At the balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivatives, in the consolidated balance sheet.

Currency: Turkish Lira ("TL") unless otherwise stated.

Carrying amounts of financial assets present maximum exposure to credit risk. As at reporting date maximum credit risk exposure is as follows:

31 December 2009	Trade receivables	Receivables from related parties	Receivables from finance sector operations	Other receivables	Cash at banks	Short term financial investments	Advances given	Total
Maximum credit risk exposure at reporting date	15,087,965	40,068,207	19,692,955	11,575,954	39,329,555	37,965,716	24,371,548	**188,091,900**
Portion of maximum risk covered by guarantee	2,456,785	-	-	-	-	-	-	**2,456,785**
A. Net book value of financial assets non overdue or not exposed to impairment	13,901,354	40,068,207	19,692,955	11,575,974	39,329,555	37,965,716	24,371,548	**186,905,309**
B. Financial assets whose conditions are renegotiated, otherwise accepted as overdue or exposed to impairment	-	-	-	-	-	-	-	- -
C. Net book value of assets overdue but not exposed to impairment	1,186,611	-	-	-	-	-	-	**1,186,611**
Portion of secured reecivables by guarantee etc.	1,186,611	-	-	-	-	-	-	**1,186,611**
D. Net book value of assets exposure to impairment	-	-	-	-	-	-	-	-
Overdue (gross book value)	2,965,609	-	-	-	-	-	-	**2,965,609**
Impairment(-)	(2,965,609)	-	-	-	-	-	-	**(2,965,609)**
Portion of net book value secured by guarantee etc.	-	-	-	-	-	-	-	-
Undue (gross book value)	-	-	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-	-	-
Portion of net book value secured by guarantee etc.	-	-	-	-	-	-	-	-
E. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-	-	-

31 December 2008	Trade receivables	Receivables from related parties	Receivables from finance sector operations	Other receivables	Cash at banks	Short term financial investments	Advances given	Total
Maximum credit risk exposure at reporting date	23,556,730	8,850,220	12,856,507	17,284,888	24,968,479	22,538,510	18,639,259	**128,694,593**
Portion of maximum risk covered by guarantee	3,603,900	-	-	-	-	-	-	**3,603,900**
A. Net book value of financial assets non overdue or not exposed to impairment	21,754,780	8,850,220	12,856,507	17,284,888	24,968,479	22,538,510	18,639,259	**126,892,643**
B. Financial assets whose conditions are renegotiated, otherwise accepted as overdue or exposed to impairment	-	-	-	-	-	-	-	-
C. Net book value of assets overdue but not exposed to impairment	1,801,950	-	-	-	-	-	-	**1,801,950**
Portion of secured reecivables by guarantee etc.	1,801,950	-	-	-	-	-	-	**1,801,950**
D. Net book value of assets exposure to impairment	-	-	-	-	-	-	-	-
Overdue (gross book value)	3,186,558	-	-	-	-	-	-	3,186,558
Impairment(-)	(3,186,558)	-	-	-	-	-	-	**(3,186,558)**
Portion of net book value secured by guarantee etc.	-	-	-	-	-	-	-	-
Undue (gross book value)	-	-	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-	-	-
Portion of net book value secured by guarantee etc.	-	-	-	-	-	-	-	-
E. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-	-	-

Currency: Turkish Lira ("TL") unless otherwise stated.

As at reporting date, maturity structure of maximum credit risk is as follows:

	31 December 2009 Trade Receivables	**31 December 2008 Trade Receivables**
1-30 days overdue	830,405	1,304,882
1-3 months overdue	349,288	300,378
3-12 months overdue	6,852	196,690
1-5 years overdue	66	-
More than 5 years overdue	-	-
Total	**1,186,611**	**1,801,950**
Portion of receivables secured by guarantee etc.	1,186,611	1,801,950

34.2 Liquidity risk

Liquidity risk arises in the general funding of the Group's activities and in the management of positions. It includes both risk of being unable to fund assets at appropriate maturities and rates and risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

The Group has access to funding sources from banks and keeps certain level of assets as cash and cash equivalents. The Group continuously assesses liquidity risk by identifying and monitoring changes in funding required in meeting business goals and targets set in terms of the overall Group strategy.

Current and future loan needs of the Group are supplied by continious accessibility of sufficient number of high quality creditors for each segment of the Group.

31 December 2009

CONTRACTUAL MATURITIES	Carrying value	Total cash outflow due to contract	0-3 months	3-12 months	1-5 years	>5 years
DERIVATIVE AND NON-DERIVATIVE FINANCIAL LIABILITIES						
Bank borrowings	175,911,444	230,237,941	18,091,095	15,252,922	177,026,347	19,867,577
Derivative financial liabilities	3,013,854	3,013,854	-	3,013,854	-	-
Liabilities due to operations in finance sector	18,653,654	18,653,654	18,653,654	-	-	-
Finance lease liabilities	13,666,924	17,044,468	236,005	997,037	15,811,427	-
EXPECTED MATURITIES						
NON-DERIVATIVE FINANCIAL LIABILITIES						
Trade payables	11,638,943	11,638,943	8,120,851	3,518,092	-	-
Other payables	16,420,599	16,420,599	16,420,599	-	-	-
Liabilities due to operations in finance sector	249,772	249,772	249,772	-	-	-
Other liabilities	24,715	24,715	24,715	-	-	-

Currency: Turkish Lira ("TL") unless otherwise stated.

31 December 2008 CONTRACTUAL MATURITIES	Carrying value	Total cash outflow due to contract	0-3 months	3-12 months	1-5 years	>5 years
DERIVATIVE AND NON-DERIVATIVE FINANCIAL LIABILITIES						
Bank borrowings	274,438,859	392,285,351	48,661,167	45,165,340	275,477,929	22,980,915
Derivative financial liabilities	9,530,813	9,530,813	-	9,530,813	-	-
Liabilities due to operations in finance sector	22,251,871	22,251,871	22,251,871	-	-	-
Finance lease liabilities	9,059,609	15,017,954	619,936	1,858,009	12,540,009	-
EXPECTED MATURITIES						
NON-DERIVATIVE FINANCIAL LIABILITIES						
Trade payables	44,328,268	44,328,268	31,072,601	13,255,667	-	-
Other payables	35,779,170	35,779,170	6,505,340	-	9,265,931	20,007,899
Liabilities due to operations in finance sector	2,416,215	2,416,215	2,416,215	-	-	-
Other liabilities	2,992,161	2,992,161	2,992,161	-	-	-

34.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Market risk for all subsidiaries are monitored and managed by the Company's Treasury and Fund Management Department. Treasury and Fund Management Department uses forward transactions and option contracts to minimize possible losses from money market fluctuations. The Group receives consultancy from an international company for managing the market risk.

i) Foreign currency risk

The Group is exposed to currency risk through transactions (such as borrowings) in foreign currencies, especially in USD and Euro. As the currency in which the Group presents its consolidated financial statements is TL, the consolidated financial statements are affected by movements in the exchange rates against TL. For the subsidiaries, whose functional currency is USD or Euro, main foreign currency is TL.

Regarding the port operations, the Group has limited exposure to currency risk since port tariff currency, which is the base of functional currency, and material transactions such as revenues and loans are denominated by the same currency. The Group's natural gas distribution entities has also limited exposure to currency risk arising from outstanding financial liabilities since the natural gas tariffs are based on foreign currencies as stated by the related laws and regulations. As at 31 December 2009, the Group's natural gas subsidiaries have been transferred to assets held for sale and excluded from foreign currency risk. The Group has used interest swaps and options, in order to limit exposure to currency risk mainly arising from financial liabilities.

Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2009 and 31 December 2008, foreign currency risk exposures of the Group comprised the following:

31 December 2009

	TL equivalents	USD	EURO	GBP	TL
1.Trade receivables	10,562,711	500,000	4,516,036	-	53,869
2.a Monetary financial assets	23,469,778	7,911,376	3,562,251	-	3,862,089
2.b Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets	**34,032,489**	**8,411,376**	**8,078,287**	**-**	**3,915,958**
5.Trade receivables	-	-	-	-	-
6.a Monetary financial assets	8,236,301	5,423,866	1,023	-	67,376
6.b Non-monetary financial assets	-	-	-	-	-
7. Other	12,735,963	8,458,500	-	-	-
8.Non Current assets	**20,972,264**	**13,882,366**	**1,023**	**-**	**67,376**
Total Assets	**55,004,753**	**22,293,742**	**8,079,310**	**-**	**3,983,334**
10. Trade payables	4,020,599	2,160,917	64,236	-	628,138
11. Financial liabilities	13,551,822	8,757,934	-	-	365,000
12.a. Other monetary financial liabilities	18,179,425	11,281,129	-	-	1,193,428
12.b. Other non-monetary financial liabilities	-	-	-	-	-
13. Current liabilities	**35,751,846**	**22,199,980**	**64,236**	**-**	**2,186,566**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	116,845,892	77,602,372	-	-	-
16.a. Other monetary liabilities	447,308	145	-	-	447,089
16.b. Other non-monetary liabilities	-	-	-	-	-
17. Non-current liabilities	**117,293,200**	**77,602,517**	**-**	**-**	**447,089**
18. Total liabilities	**153,045,046**	**99,802,497**	**64,236**	**-**	**2,633,655**
Net foreign currency asset/liability position	**(98,040,293)**	**(77,508,755)**	**8,015,074**	**-**	**1,349,679**
Net monetary accounts foreign currency asset/liability position	**(98,040,293)**	**(77,508,755)**	**8,015,074**	**-**	**1,349,679**
Export	**None**				
Import	**None**				

31 December 2008

	TL equivalents	USD	EURO	GBP	TL
1.Trade receivables	6,340,404	122,524	2,413,437	-	988,426
2.a Monetary financial assets	36,538,645	19,784,451	138,054	35,963	6,244,229
2.b Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets	**42,879,049**	**19,906,975**	**2,551,491**	**35,963**	**7,232,655**
5.Trade receivables	18,284	-	-	-	18,284
6.a Monetary financial assets	27,358,497	18,085,230	1,023	-	6,014
6.b Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets	**27,376,781**	**18,085,230**	**1,023**	**-**	**24,298**
Total Assets	**70,255,830**	**37,992,205**	**2,552,514**	**35,963**	**7,256,953**
10. Trade payables	631,793	2,714	62,369	-	494,169
11. Financial liabilities	38,822,486	24,623,218	498,154	-	518,346
12.a. Other monetary financial liabilities	11,981,127	6,805,429	340,123	-	961,141
12.b. Other non-monetary financial liabilities	-	-	-	-	-
13. Current liabilities	**51,435,406**	**31,431,361**	**900,646**	**-**	**1,973,656**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	153,546,157	100,196,619	943,017	-	-
16.a. Other monetary liabilities	383,275	-	-	-	383,275
16.b. Other non-monetary liabilities	-	-	-	-	-
17. Non-current liabilities	**153,929,432**	**100,196,619**	**943,017**	**-**	**383,275**
18. Total liabilities	**205,364,838**	**131,627,980**	**1,843,663**	**-**	**2,356,931**
Net foreign currency asset/liability position	**(135,109,008)**	**(93,635,775)**	**708,851**	**35,963**	**4,900,022**
Net monetary accounts foreign currency asset/liability position	**(135,109,008)**	**(93,635,775)**	**708,851**	**35,963**	**4,900,022**
Export	**None**				
Import	**970,426**				

TL exchange rate risk of subsidiaries and joint ventures whose functional currency is other than TL, is shown in TL line in the foreign currency risk table.

Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2009 and 31 December 2008, foreign exchange rates are as follows:

	Average rate		Closing rate	
Currency	**31 December 2009**	**31 December 2008**	**31 December 2009**	**31 December 2008**
US Dollars	1,5457	1,2973	1,5301	1,5123
Euro	2,1508	1,8969	2,1469	2,1408

Sensitivity Analysis – Foreign currency risk

A 10 percent strengthening or depreciation of the Turkish Lira against the following currencies as at 31 December 2009 and 31 December 2008 would have increased equity or profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

31 December 2009	**PROFIT /LOSS**		**EQUITY**	
	Increase	**Decrease**	**Increase**	**Decrease**
	A 10 percent strengthening of the USD against TL:			
1-Net USD asset/liability	(11,771,466)	11,771,466	-	-
2- Hedged portion against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	(11,771,466)	11,771,466	-	-
	A 10 percent strengthening of the Euro against TL:			
4- Net Euro asset/liability	1,697,501	(1,697,501)	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
6- Net effect of Euro (4+5)	1,697,501	(1,697,501)	-	-
	A 10 percent strengthening of the other currencies against TL:			
7- Net other currencies asset/liability	-	-	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
9- Net effect of other currencies (7+8)	-	-	-	-
TOTAL (3+6+9)	**(10,073,965)**	**10,073,965**	**-**	**-**

31 December 2008	PROFIT /LOSS		EQUITY	
	Increase	Decrease	Increase	Decrease
	A 10 percent strengthening of the USD against TL:			
1-Net USD asset/liability	(14,677,765)	14,677,765	-	-
2- Hedged portion against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	(14,677,765)	14,677,765	-	-
	A 10 percent strengthening of the Euro against TL:			
4- Net Euro asset/liability	178,976	(178,976)	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
6- Net effect of Euro (4+5)	178,976	(178,976)	-	-
	A 10 percent strengthening of the other currencies against TL:			
7- Net other currencies asset/liability	7,884	(7,884)	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
9- Net effect of other currencies (7+8)	7,884	(7,884)	-	-
TOTAL (3+6+9)	**(14,490,905)**	**14,490,905**	**-**	**-**

Currency: Turkish Lira ("TL") unless otherwise stated.

ii) Interest rate risk

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprice at different times or in different amounts. This risk is managed through balancing the assets and liabilites exposed to interest rate risk and restricted use of derivative instruments.

Interest rate exposure

			Current period
Prior period			
Fixed rate financial instruments		**(111,333,591)**	**(232,260,787)**
Financial	Financial assets held for trading	19,491,585	11,734,370
assets	Receivables from reverse repo transactions	2,000,154	-
	Financial assets available for sale	50,876	49,338
	Receivables from money markets	374,407	307,632
	Cash at banks	33,788,809	12,080,770
Financial	Financial liabilities	(148,385,768)	(234,181,026)
liabilities	Liabilities due to operations in finance sector	(18,653,654)	(22,251,871)
Floating-rate financial instruments		**(41,192,600)**	**(49,317,442)**
Financial assets		-	-
Financial liabilities		(41,192,600)	(49,317,442)

As at 31 December 2009 and 31 December 2008, the Group uses interest rate derivatives (swap) to hedge interest rate risk. Sensitivity analysis – interest rate risk

As at 31 December 2009, had the interest rates been higher by 100 base points and all other variables been fixed, profit before tax would have been lower by TL 409.740 (31 December 2008: loss before tax TL 474.412 higher). Had the interest rates been lower by 100 base points, the effect would be the same but in reverse position.

35 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price.

The estimated fair values of financial instruments have been determined using available market information by the Group, and where it exists, using appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to determine the estimated fair value. While the management of the Group has used available market information in estimating the fair values, the market information may not be fully reflective of the value that could be realized in the current circumstances. Foreign currency assets and liabilities, which are translated to Turkish Lira using the reporting date exchange rates, are assumed to converge to their fair value.

Fair values of cash and cash equivalents are assumed to approximate their carrying amounts. The carrying amounts of trade and other receivables less the related provisions for impairment are assumed to approximate their present value of future cash flows at the reporting date. Carrying amounts of floating rate liabilities; which are translated to Turkish Lira using the reporting date, are assumed to reflect their fair values.

Carrying amounts and fair values of assets and liabilities are listed below:

		31 December 2009		31 December 2008	
Financial assets	**Note**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Cash and cash equivalents	6	43,387,384	43,387,384	32,131,697	32,131,697
Investments	7	37,965,716	37,965,716	22,538,510	22,538,510
Other trade receivables	10	15,087,965	15,087,965	23,556,730	23,556,730
Receivables from finance sector	12	19,692,955	19,692,955	12,856,507	12,856,507
Trade receivables from related parties	33	7,253,417	7,253,417	8,850,220	8,850,220
Other receivables from related parties	33	32,814,790	32,814,790	50,459,432	50,459,432
Other receivables	11	11,575,954	11,575,954	17,284,888	17,284,888
Other current and non-current assets	23	24,827,989	24,827,989	19,253,163	19,253,163
Total		**192,606,170**	**192,606,170**	**186,931,147**	**186,931,147**
Financial liabilities					
Financial liabilities	8	189,578,368	189,578,368	283,498,468	283,498,468
Other financial liabilities	9	3,013,854	3,013,854	9,530,813	9,530,813
Other trade payables	10	11,638,943	11,638,943	43,288,938	43,288,938
Payables from finance sector operations	12	18,903,426	18,903,426	24,668,086	24,668,086
Trade payables to related parties	33	-	-	1,039,330	1,039,330
Other payables to related parties	33	843,218	843,218	3,194,029	3,194,029
Other payables	11	15,577,381	15,577,381	32,585,141	32,585,141
Other liabilities	23	421,160	421,160	16,500,000	16,500,000
Total		**239,976,350**	**239,976,350**	**414,304,805**	**414,304,805**

Currency: Turkish Lira ("TL") unless otherwise stated.

The table below analyses the valuation method of the financial instruments carried at fair value. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilites;

Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or in directly (i.e., derived from prices);

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 December 2009	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets held for trading	36,452,340	-	-	36,452,340
Financial assets available for sale	1,462,500	-	6,382,181	7,844,681
Derivative financial liabilities	-	(3,013,854)	-	(3,013,854
	37,914,840	**(3,013,854)**	**6,382,181**	**41,283,167**
31 December 2008				
Financial assets held for trading	17,474,559	-	-	17,474,559
Financial assets available for sale	5,014,613	-	6,380,643	11,395,256
Derivative financial liabilities	-	(9,530,813)	-	(9,530,813)
	22,489,172	**(9,530,813)**	**6,380,643**	**19,339,002**

36 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As at 31 December 2009, summary of assets held for sale and liabilities directly associated with these assets are as follows:

2009	**Enerji Yatırım Holding and its Subsidiaries**	**Dağören Enerji and Düzce Aksu**	**Real Estates**	**Total**
Assets held for sale	155,975,729	58,265,753	71,957,222	286,198,704
Liabilities related with assets held for sale	156,041,565	11,198,148	-	167,239,713

2008	**Yeşil Enerji and its Subsidiaries**
Assets held for sale	120,036,306
Liabilities related with assets held for sale	41,669,493

Enerji Yatırım Holding and its Subsidiaries

The Group has authorized RBS Corporate Finance Limited, a subsidiary of the Royal Bank of Scotland, with respect to the sale of all or a portion of shares of Energaz Gaz, Elektrik, Su Dağıtım A.Ş. that is engaged in natural gas distribution in 10 regions and which the joint venture of the Group, Enerji Yatırım Holding A.Ş., has a shareholding percentage of 52,47%. A confidentiality agreement is made with 11 investors until now. Therefore, as at 31 December 2009, Enerji Yatırım Holding's and Energaz's assets and liabilites have been transferred to assets held for sale and liabilities associated with them and their income statement accounts for the years ended 31 December 2009 and 2008 have been reclassified to loss from discontinued operations.

Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2009, Enerji Yatırım Holding and its subsidiaries' assets held for sale and liabilities directly associated with these assets are as follows:

Assets	**31 December 2009**
Cash and cash equivalents	5,404,723
Trade receivables	11,166,356
Other receivables	857,891
Inventory	145,430
Other current assets	9,413,731
Financial investments	1,819,691
Other long term receivables	14,109
Tangible assets	1,132,495
Concession intangible assets	115,693,816
Intangible assets	353,858
Defferred tax assets	9,807,474
Other non-current assets	166,155
	155,975,729
Liabilities	
Financial liabilities	52,356,500
Trade payables	31,668,584
Other payables	29,320,167
Provision	294,845
Other current liabilities	6,041,993
Provision related with employee benefits	160,173
Deferred tax liability	4,470,165
Other non-current liabilities	31,729,138
	156,041,565

GY Elyaf

The Group has transferred its 100% shares, owned as at 7 November 2008, of GY Elyaf ve İplik Sanayi İç ve Dış Ticaret A.Ş. to Koninklijke Vopak NV Group, incorporated in the Netherlands and is widely known in liquid storage, at the same date. The profit and loss accounts of the mentioned subsidiary has been classified to profit / (loss) from discontinuing operations for the year ended 31 December 2008.

Discontinued Operations: Enerji Yatırım Holding and its subsidiaries and GY Elyaf

For the years ended 31 December 2009 and 2008, income statement of Enerji Yatırım Holding A.Ş. and its subsidiaries and for the year ended 31 December 2008, income statement of GY Elyaf are as follows:

	Enerji Yatırım Holding		GY Elyaf		Total	
	2009	2008	2009	2008	2009	2008
Sales	139,117,731	150,041,832	-	-	139,117,731	150,041,832
Cost of sales (-)	(137,869,142)	(153,642,288)	-	-	(137,869,142)	(153,642,288)
Gross profit from trade operations	**1,248,589**	**(3,600,456)**	**-**	**-**	**1,248,589**	**(3,600,456)**
Interest, fee, premium, commision and other income	-	-	-	-	-	-
Interest, fee, premium, commission and other expense (-)	-	-	-	-	-	-
Gross profit from operations in finance sector	**-**	**-**	**-**	**-**	**-**	**-**
GROSS PROFIT	**1,248,589**	**(3,600,456)**	**-**	**-**	**1,248,589**	**(3,600,456)**
Selling and marketing expenses (-)	(789,910)	(578,063)	-	-	(789,910)	(578,063)
General administrative expenses (-)	(5,456,433)	(5,382,536)	-	(95,780)	(5,456,433)	(5,478,316)
Other operating income	658,098	209,820	-	505,777	658,098	715,597
Other operating expenses (-)	(794,296)	(802,789)	-	-	(794,296)	(802,789)
OPERATING PROFIT / (LOSS)	**(5,133,952)**	**(10,154,024)**	**-**	**409,997**	**(5,133,952)**	**(9,744,027)**
Finance income	3,796,962	11,309,686	-	3,158	3,796,962	11,312,844
Finance expenses (-)	(7,163,717)	(26,927,656)	-	(10,278,365)	(7,163,717)	(37,206,021)
PROFIT / (LOSS) BEFORE TAX	(8,500,707)	(25,771,994)	-	(9,865,210)	(8,500,707)	(35,637,204)
Income tax credit / (expense)	**2,818,378**	**4,483,615**	**-**	**-**	**2,818,378**	**4,483,615**
- Current tax charge	2,818,378	(73,732)	-	-	2,818,378	(73,732)
- Deferred tax benefit / (expense)	-	4,557,347	-	-	-	4,557,347
OPERATING PROFIT/(LOSS) FOR THE PERIOD	**(5,682,329)**	**(21,288,379)**	**-**	**(9,865,210)**	**(5,682,329)**	**(31,153,589)**
Elimination of revenues in consolidation	129,654	-	-	2,012,851	129,654	2,012,851
Gain on sale of associate	-	-	-	6,526,635	-	6,526,635
	(5,552,675)	**(21,288,379)**	**-**	**(1,325,724)**	**(5,552,675)**	**(22,614,103)**

For the years ended 31 December 2009 and 2008, the cash flow statement of Enerji Yatırım Holding A.Ş. and its subsidiaries that have been transferred to discontinued operations are as follows:

	2009	2008
Net cash from operating activities	16,801,557	15,793,261
Net cash used in investing activities	(11,254,894)	(24,940,452)
Net cash from / (used in) financing activities	(5,187,083)	8,448,996

Yeşil Enerji and its Subsidiaries

A Share Transfer Agreement ("Agreement") has been signed at 23 June 2009, between the Group and Statkraft AS, with respect to the sale of the shares owned by the Group that represents 95% of the share capital of Yeşil Enerji. As at 23 June 2009, sale shares are transferred and handed over to Statkraft AS with a net assest of Euro 98.063.270. The selling value ("Selling Price") of the shares are determined to be Euro 85.628.849, which is %95 of Euro 90.135.630; after deducting Euro 7.927.640 net debt in the consolidated financial statements of the Company as at the date of the transfer. 75.171.189 Euro has been collected in cash on 23 June 2009 and the remaining balance will be paid by Statkraft AS to the Group after miscellaneous pre-conditions are met.

In accordance with the Agreement, in addition to the amount stated above, depending on the realization, Statkraft AS will be entitled to receive a portion of any carbon and electricity income to be received by the companies with respect to the facilities to be put in service based on below conditions. Statkraft AS will compensate 50% of the difference (difference between the base price assumption of Statkraft AS and realized price) in net electricity sales revenue (gross electricity revenue less water usage fee and taxes) generated following the first three operational years of the Projects. The Group will receive 50% of carbon emission income planned to be generated in the first three operational years following the facilities to be put in service.

As at 31 December 2008, the Group reclassified all assets and liabilities of Yeşil Enerji and its subsidiaries as assets held for sale and liabilities associated with assets held for sale. In accordance with sales agreement with Statkraft AS dated 23 June 2009 and addendum related to this agreement, Düzce-Aksu and Dağören were carved out from such sale agreement. As at 31 December 2009, the Group holds its intention to sell the shares of these companies in the following periods, therefore, assets and liabilities of Düzce-Aksu and Dağören are classified as assets held for sale and liabilities associated with assets held for sale.

Details of the gain on sale of Yeşil Enerji and its subsidiaries on 23 June 2009 is as follows:

	23 June 2009
Cash and cash equivalents	902,486
Other trade receivables	96,882
Due from related parties	178,334
Other current assets	547,577
Total Current Assets	**1,725,279**
Other receivables	5,750
Tangible assets	26,869,192
Intangible assets	47,162,555
Goodwill	16,847,088
Other non current assets	3,858,133
Total Non Current Assets	**94,742,718**
Loans and borrowings	(685,435)
Other trade payables	(1,849,506)
Due to related parties	(49,858,191)
Other payables	(518,719)
Income tax payable	(46,109)
Provisions	(62,500)
Total Current Liabilities	**(53,020,460)**
Loans and borrowings	(17,422,873)
Due to related parties	(3,330,000)
Deferred tax liability	(9,362,679)
Total Non Current Liabilities	**(30,115,552)**
Minority interest	(730,120)
Net Asset Value as at the Selling Date	12,601,864
Share subject to Sale	95%
Net Asset Value of Subsidiaries Subject to Sale	**11,971,771**
Selling Amount	169,670,254
Receivables claimed	(47,858,740)
Net Selling Amount	**121,811,514**
Net Asset Value of Subsidiaries Subject to Sale	(11,971,771)
Additional share portion of the subsidiary sold	219,581
Net gain on sale of subsidiary	**110.059.324**
Cash consideration on the sale of subsidiary	169,670,254
Cash and cash equivalents of subsidiary sold	(902.486)
Cash paid for additional equity of Anadolu and Akel	(25.819.040)
Net cash inflow	**142.948.729**

Details of assets and liabilities of Dağören Enerji and Düzce Aksu at 31 December 2009 and Yeşil Enerji at 31 December 2008, transferred to assets held for sale and liabilities directly associated with assets held for sale are as follows:

ASSETS

	31 December 2009	31 December 2008
Cash and cash equivalents	5	63,718
Other receivables	-	5,750
Other current assets	3,520,254	4,168,549
Due from related parties	2,892,849	1,060,972
Tangible assets	295,336	16,336,773
Intangible assets	53,777,309	95,915,590
Goodwill	-	456,710
Deferred tax assets	-	32,830
Other non - current assets	-	1,995,414
	60,485,753	**120,036,306**
Eliminated receivables	**(2,220,000)**	**-**
	58,265,753	**120,036,306**

LIABILITIES

	31 December 2009	31 December 2008
Financial liabilities	-	9,891,417
Trade payables	1,946	3,565,763
Other payables to related parties	396,730	26,519,909
Other payables	60,896	239,672
Income tax payable	-	2,787
Other current liabilities	-	367
Deferred tax liabilities	10,738,576	19,122,112
	11,198,148	**59,342,027**
Eliminated payables	**-**	**(17,672,534)**
	11,198,148	**41,669,493**

Real Estates

The Group has decided to sell various real estates, through auction, with the Board of Directors resolutions, dated on 3 September 2009. Therefore, as at 31 December 2009, the Group transferred such real estates as assets held for sale. The Group publicised its intention regarding the sale of the real estates through advertisements in various newspapers. These assets include, the Holding headquarters in Karaköy, with 5.450 m^2 usage area; Veli Alemdar Han with 13.900 m^2 usage area, which was classified as investment property before the transfer to asset held for sale; land in Bozüyük district of Bilecik province, with total area of 29.500 m^2; various lands in Kemalpaşa district of İzmir province with a total area of 84.763 m^2 and land in Bodrum district of Muğla province with an area of 3.000 m^2.

37 SUBSEQUENT EVENTS

The Group, based on the Board of Directors decision taken on 5 Februbary 2010, decided to negotiate with Statkraft AS to sell the remaining 5% shares and the Group's rights on Yeşil Enerji A.Ş.'s future revenues from sales of electricity and carbon emissions. The Group, based on the Board of Directors decision taken on 5 Februbary 2010, decided to evaluate possible sale opportunities of its subsidiary, Hedef Menkul Değerler A.Ş, to third parties.

The Group has started negotiations with other shareholders of Ortadoğu Liman for the acquisition of 60% of shares of which 40% is currently owned by the Group or alternatively, sale of shares of Ortadoğu Liman to other major shareholder. The former owner of the shares of an subsidiary of the Group filed a lawsuit against the Group for the restitution of the shares. The lawsuit is before the local court. The expert submitted his report which was against the defendants. On 2 March 2010, the court decided to restitution of shares to the former owners and the trustee, previously appointed by the Court, shall remain in charge until the final decision. The Group lawyers shall appeal the decision upon the notification of the justified decision.

38 OTHER MATTERS THAT SIGNIFICANTLY AFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR MAKE THE CONSOLIDATED FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.