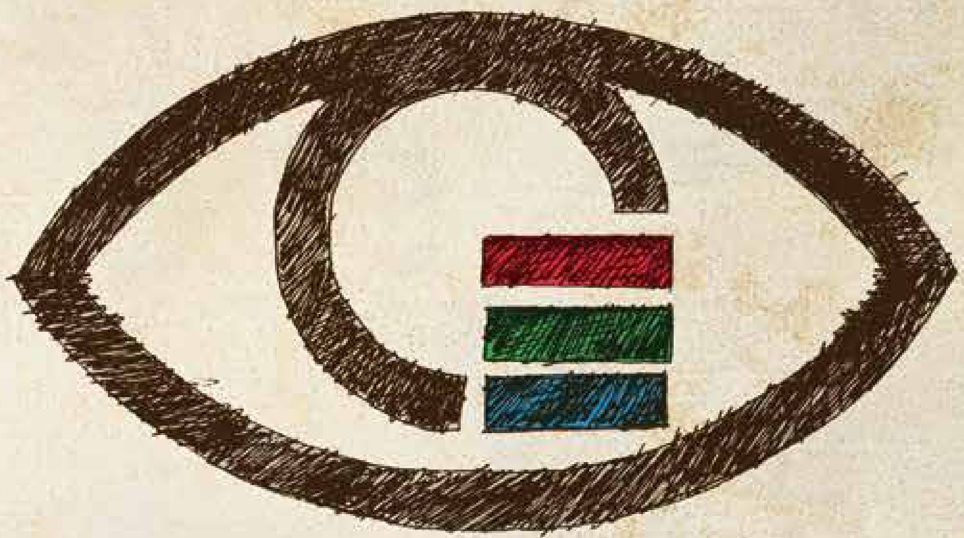
2012 Annual Report



EYE ON THE FUTURE

GLOBAL
INVESTMENT HOLDINGS

Success is never a coincidence; it is a result of developing insight, setting targets according to that insight, and taking decisive action towards these targets. Only those who look ahead can reach success.

What underlies our sustainable success is an ambition to be a pioneer in new industries. As a result of investments made with a well-analyzed, visionary approach, our portfolio yields high returns.

In order to ensure that our shareholders enjoy the privilege of becoming a part of investments in Turkey's growing sectors, we draw our inspiration from values generated by ambition to always excel and finally to create success stories. Thanks to our visionary outlook, we start generating the investment returns of tomorrow from today.

CONTENTS

If you have a smartphone with a QR code reader, you can use the QR code here to download the Global Investment Holdings 2012 Annual Report to your smartphone.

GLOBAL INVESTMENT HOLDINGS GROUP

OVERVIEW OF BUSINESS AND OPERATIONS

The business divisions of the Global Investment Holdings Group, including the principal companies operating in each division, are set forth in the below diagram.

PORT INFRASTRUCTURE

Global Ports Holding

Ege Ports (Kuşadası)
Port Akdeniz (Antalya)
Bodrum Cruise Port

ENERGY

Global Energy

Naturelgaz
Şırnak Thermal Power Plant
Energy Related Mining Operations
Other Energy Projects

REAL ESTATE

Pera REIT

Denizli Sümerpark
Van Development Land
Vakıfbank No. VI

FINANCE

Global Securities

AZ Global

CONSOLIDATED FINANCIAL HIGHLIGHTS

Global Investment Holdings Group's total assets reached TL 1,366.9 million in 2012.

TURNOVER *(TL million)*

EBITDA *(TL million)*

EQUITY *(TL million)*

TOTAL ASSETS *(TL million)*

GROSS TURNOVER

The following charts set forth, in graphic format, a breakdown of the gross turnover of the Global Investment Holdings Group for the fiscal years ended 31 December 2011 and 2012, respectively.

1961 - ∞

OUR SAD LOSS

Doyen of the Turkish Maritime Sector and Philanthropist Has Passed Away

We, as Global Investment Holdings and all its subsidiaries, are deeply saddened by the passing of Gregory Michael Kiez who was a Board Member of Global Investment Holdings and Chairman of the Board of Global Ports Holding and a doyen in the finance and port operations sectors in Turkey.

We will always fondly remember him.

CHAIRMAN'S MESSAGE

Global Investment Holdings Group plans to focus on mid-size industrials so as to expand its offering of energy plus service solutions.

Esteemed shareholders and colleagues,

There is no escaping the fact that the year of 2012 was overshadowed by a tragedy that struck at the heart of the Global family, past and present. On June 29th with great sadness, we lost a pillar of our Group, the Chairman of Global Ports Holding, Gregory Michael Kiez, to Glioblastome Multiforme a dreadful and rare form of brain cancer. Diagnosed with the disease in September 2009, he fought back valiantly for nearly three years, and yet medical science proved insufficient to keep him with us for longer.

Greg will be remembered by all of us as a person of tenacity, discipline and detailed orientation both through his work in general, and as the founder of Global Ports Holding. My dear colleague, friend, and partner Greg, we pledge to carry your banner on forever to the very best of our ability.

In the eyes of an outsider, 2012 may be mistaken for a relatively straight-forward, almost run of the mill year for Turkey and the Global Group. Yet, in reality, both our country and our Group were busily planting the seeds of a fertile decade to come. Because after three decades of in-fighting, we as a country finally realized that no human being can be discriminated against on the basis of their race, color, religion or background. And so I firmly believe that the Kurdish peace talks that have begun represent a quintessentially important step forward in the democratization process of our country; one that will doubtless open new windows of opportunity for all. For too many years we have lagged in human rights, freedom of speech, economic liberty and equality. The latest steps taken by our administration are unquestionably as relevant a social moment as the establishment of the Republic itself back in the 1920s following the War of Independence, and amid the ashes of empire. Yet, this latest process, unlike then, leaves its footprint on society through democratization and human rights. Granted, we still have a long way to go, but we have now moved boldly in the right direction. Our founding father had once said, “Our principal direction is the Mediterranean”; and now, I believe, the time has come to start our march towards the development of Eastern and Southeastern Turkey.

In parallel with this new focus, we the Global Group finally took our own bold step in May of this year by laying the groundwork for our thermal power plant. This is the largest investment ever undertaken by the private sector in the region since the foundation of the Republic, or indeed since the Ottoman Era: A 270MW initial investment, with the potential to rise to 1,500 MW. Simply put, I am excited not only because it marks a major investment for the Global team, but also because it is a landmark undertaking in an area where no one for centuries has even dared to tread.

Having begun with energy, perhaps the logical continuation was our compressed natural gas (CNG) business. And, as the sole licensed supplier of CNG for trucks, our subsidiary Naturelgaz has seen exponential growth in both the bulk CNG market, and the conversion of specific truck models from diesel to CNG; therefore, allowing to cut their fuel bill up to 40 pct with a direct impact on inflation. As a prime example of this, the ticket price for inner city transportation has decreased by 25 pct since Naturelgaz converted the city buses of Afyon to CNG. Although the company is in its infancy, and hence subject to familiar growing pains, this one entity, a greenfield investment, bears the highest potential in our portfolio. This is especially the case when considering the abundant gas reserves located around Turkey, ranging from Iraq, to off-shore Israel and Cyprus. While the 20th century was one of oil, this one will clearly be defined by gas. In my view, gas price differentials (in different parts of the world) will soon dissipate, and as such, we will see 40-50pct of all vehicles being gas-powered five years down the road.

Following on from energy, another major development was the establishment of Tres Energy, a company that invests in, installs and operates tri-generation, or co-generation facilities at customer premises. These facilities generate electricity and heat, which in turn is used in general power consumption, as well as for heating and cooling purposes. This business model, again, is a 21st century construct from which customers derive significant savings. As such, we expect to see the major and mega power

70%
EBITDA MARGIN OF PORT ASSETS IN 2012

companies losing market share to micro operators. The day will surely come when a very large portion of the population will be generating its own energy, especially in rural areas.

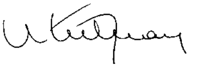
Finally, our energy and mining group, in line with its diversification strategy, has signed off on its first acquisition of a mining company in western Turkey with vast reserves of feldspar, an industrial mineral widely used in the tile and glass sectors. The company exports most of its feldspar production to Europe. Having taken this initial, but important step into mining, we certainly aim to continue our investments in this sector, and to also encompass industrial minerals and metals.

On the real estate front, after four years of steadily paying down debt, our REIT is now ready to start dividend disbursements in 2013 from the Denizli development. And while the returns on this investment are not at levels that our Group typically enjoys, we are nevertheless proud to be instrumental in the development of the city of Denizli. Therefore, I would like to thank the entire real estate team for their tenacity in this process.

Meanwhile, our securities and asset management arm saw another year of steady growth. The joint venture we established with Italy's AZ late last year is showing signs of rapid growth in 2013 following the establishment of the sales force and the fund management team. This is an industry set to post higher growth than any other in Turkey, as retirement schemes, a relatively new 401K concept, have started receiving state support in the form of matching contributions. Having more than quadrupled over the past five years, breathtaking growth is expected to continue, necessitating professional fund management. Beware people of Naturelgaz; AZ Global might yet beat you in terms of growth!

Last but not least, I would like to extend our sincere gratitude to our Port Holding, which thanks to its rock solid foundation, has been paying all our salaries. It has registered an EBITDA margin of 70 pct, and a net debt level of 0.8 times EBITDA in 2012–a stellar position to be in! We hope to add at least two regional ports to our portfolio in 2013.

I therefore take this opportunity to wholeheartedly thank all our stakeholders, and the entire Global team along with their families for their continued support.



Mehmet Kutman
Chairman

THE GLOBAL INVESTMENT HOLDINGS GROUP IN SUMMARY

The Global Investment Holdings' business units operate largely on an independent basis under the general strategic and risk management guidance, as well as the overall corporate and financial strategies of the Global Investment Holdings Group.

Global Investment Holdings was originally established in 1990 as a brokerage house shortly after which it became the leading independent brokerage and investment banking firm in Turkey. Paving the way to introducing the country and many of its leading businesses mostly for the first time to international investors, the Company has played a key role in the development of Turkish capital markets. Fostering its investment appetite and building on its investment banking experience, the company transformed into an investment portfolio company in late 2004, when Global Investment Holdings evolved into a dynamic investment vehicle with interests in a variety of emerging business sectors in addition to the traditional non-bank financial service providers.

Global Investment Holdings is trading on the Borsa Istanbul under the ticker symbol GLYHO.IS.

The Global Investment Holdings Group currently has operations in four key businesses:

- **Port Infrastructure:** the operation of cruise ship and commercial seaports;
- **Energy:** large scale power generation, compressed natural gas sales and distribution, energy efficiency and renewable power generation, and mining;
- **Real Estate:** development and operation of commercial real estate projects;
- **Finance:** non-banking financial services, including brokerage, advisory, and asset management.

Port Infrastructure comprises cruise and commercial port investments all grouped under Global Ports Holding. Global Ports Holding is a unique port group currently operating a portfolio of three strategically located cruise and commercial ports in Turkey each providing exceptional hinterland access with strong market demand fundamentals. While actively seeking opportunities to expand its Turkish portfolio, Global Ports Holding, with the strategic objective of becoming an international port operator, targets acquiring new ports elsewhere in the Mediterranean, as well as in other regions.

Global Energy focuses on development of micro and large scale thermal, solar and gas fired power generation projects as well as sales and distribution of compressed natural gas in Turkey via its subsidiary Naturelgaz. The Group also has investments in the fast growing energy efficiency and mining sectors.

149%
EBITDA INCREASE

In Real Estate the Group is primarily engaged in development and operation of commercial real estate projects.

Financial sector investments of the Group are engaged in brokerage, financial advisory and asset management, each leveraging the reputation and customer portfolio of the Group with the expertise and product portfolio of strategic partners.

Investing for the future
Since its transformation in late 2004, Global Investment Holdings has successfully identified investment opportunities in fast growing sectors of the Turkish economy. The Group targets sectors with future growth potential and businesses at their early stages of development. Many years of investment experience and close relationships with international businesses provides the Company a competitive edge in identifying investment targets as well as in risk assessment for new ventures. The agile structure and culture of the Group combined with well established assessment procedures resulted in the Company successfully pioneering in many of its investments.

An investment portfolio company differentiating itself from traditional holding companies
With no geographic or sector specific boundaries in its investment universe combined with a proven track record of successful exits, the Group differentiates itself from other "core business" oriented conglomerates and holding companies.

The strategy of the Company is to maximize shareholder value and returns by establishing a diversified portfolio of investments in sectors with high growth and return potential, and which have geographic, technical, "first mover", or similar barriers to competition. The potential for future growth and an attractive rate of return are prioritized key parameters for prospective business opportunities which enable the Company to maximize profitability in certain investments of only short-term relevance to the current investment portfolio.

The Company views timely exits as an integral element in maximizing shareholder value and accordingly continuously monitors its investment portfolio with a view to realize its equity investment in whole or in part at the right time.

Management philosophy fostering rapid response to business dynamics and efficiency at operational level
The Group establishes an independent and lean organizational structure both at operational and group level. The lean structure enables senior management to closely monitor and briskly respond both to the operational performance across the Group and the continuously changing business environment. In this respect, the Group implements best corporate practices by facilitating decision making at all levels.

The Global Investment Holdings Group In Summary

As of 31 March 2013, the Company repurchased its own shares with a total nominal value of TL 11.3 million.

Business units and operating subsidiaries are run largely on an independent basis under the general strategic and risk management guidance as well as the overall corporate and financial strategies of the Global Investment Holdings Group. Professional management teams comprising experienced executives with particular qualifications to assess sector specific dynamics and challenges are in place across all operations within the Group.

Share buyback program

In 2012, the Board of Directors of Global Investment Holdings resolved implementation of a share buyback program for the purpose of share price stabilization as well as bridging the gap between the market capitalization of the Company and the value of its underlying assets. The share buyback program was authorized in the General Shareholders' Meeting of the Company held on 10 May 2012.

The share buyback program authorizes the Company to buy back its own shares up to a maximum amount equal to the lower of a total value of TL 30 million or 10% of the total issued shares within a period of 18 months from 10 May 2012. In accordance with the terms of the program, shares repurchased will not be subject to re-sale and will be cancelled through a share capital reduction following completion of the buyback program.

As of 31 March 2013, the Company has repurchased its own shares with a total nominal value of TL 11.3 million corresponding to 5.1% of the issued share capital for a total value of TL 21 million.

KEY FINANCIAL INDICATORS

Global Investment Holdings Group posted turnover of TL 328 million, and gross operating profit of TL 164 million in 2012.

CONSOLIDATED BALANCE SHEET (TL million)

	2012	2011
Current Assets	312.4	295.0
Non-current Assets	1,054.5	1,234.2
Total Assets	**1,366.9**	**1,529.2**
Short-Term Liabilities	322.6	417.3
Long-Term Liabilities	306.9	426.9
Total Shareholders' Equity	737.3	675.0
Total Liabilities and Shareholders' Equity	**1,366.9**	**1,529.2**

CONSOLIDATED INCOME STATEMENT (TL million)

	2012	2011
Turnover	328.40	364.20
Gross Profit	76.16	73.93
Gross Operating Profit	164.20	-9.98
Profit/(Loss) Before Tax	102.50	-93.10
Net Profit/(Loss) For The Period	108.07	-81.95

BOARD OF DIRECTORS

Mehmet Kutman/Chairman
Mr. Kutman, a founding shareholder, is the Chairman and 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 Global Investment Holdings' operating subsidiaries and affiliates.

Mr. Kutman also serves on the Board of Directors of other non-group Borsa Istanbul-listed companies. He is a member of TÜSİAD (the Turkish Industrialists' and Businessmen's Association) and DEİK (the Foreign Economic Relations Board).

Prior to founding the precursor to the Company in 1990, Mr. Kutman held an executive position at Net Holding A.Ş., a Turkish group with investments in the tourism and real estate 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/Vice Chairman
Mr. Göker is a founding shareholder of the Company, and has served as Chairman of the Group's finance division since its formation. In addition to his representation at the Board of Directors of various Group companies, Mr. Göker holds memberships on several committees of the Borsa Istanbul and is a member of TÜSİAD.

Prior to founding the precursor to the Company in 1990, Mr. Göker was Head of the Capital Markets Department at Net Holding A.Ş. Before joining Net Holding A.Ş., he served 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.

Ayşegül Bensel/Board Member
Mrs. Bensel joined the Board in 1999 and serves on the Boards of various subsidiaries.

Mrs. Bensel served as the Chairman, and after 2005 also as the CEO of Global Life Insurance until the Group exited in March 2007. Previously, Mrs. Bensel was Co-Director of Research at Global Securities between 1998 and 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 foreign exchange dealing manager in the Turkish banking sector. Mrs. Bensel holds a BA in Business Administration and Finance from Hacettepe University, Ankara.

Serdar Kırmaz/Board Member
Mr. Kırmaz joined the Board in 2010 and has also served on the Boards of various subsidiaries since then.

Mr. Kırmaz served as the CFO and on the Boards of various subsidiaries of Doğan Group from 2007 to 2010, of Global Investments Holdings from 2005 to 2007, and of STFA Group between 1999 and 2005. From 1997 to 1999, he assumed advisory positions at various Turkish groups prior to which he was a Partner at Pricewaterhouse Coopers ("PWC") which he joined in 1988. Mr. Kırmaz holds a BA in Business Administration from Middle East Technical University, Ankara.

Board of Directors

Adnan Nas/Board Member
Mr. Nas joined the Board in 2011 and has served on the Boards of various subsidiaries since then.

Prior to joining Global Investment Holdings, Mr. Nas was the Chairman of PricewaterhouseCoopers ("PWC") tax practice for many years where he was the founding Partner in 1995. Before joining PWC, Mr. Nas held various senior executive and board member positions in the private sector after leaving the Ministry of Finance where he started his career and served many years as the Chief Inspector of Finance and the Deputy President of the Board of Inspection.

Mr. Nas is the Deputy Chairman of the Foreign Investors Association (YASED), a member of TÜSİAD's International Executive Board (Turkish Industrialists' and Businessmen's Association), former Chairman of Am-Cham Turkey, an executive member of the Tax Council at the Ministry of Finance, Vice-President at the Association of Financial Executives (Finance Club), and member of the Turkish-American Business Council at DEİK (Foreign Economic Relation Board). He is also a board member of Galatasaray Sports Club.

Mr. Nas has also published many studies and academic articles. He holds a BA in Political Sciences from Ankara University and a BA in Law from Istanbul University.

Jérôme Bayle/Independent Board Member
Mr. Bayle has served as an independent Board member at Global Investment Holdings since 2009

Mr. Bayle is the former Managing Director of Tetra Pak Makina Ticaret ve Servis A.Ş. (Turkey), having held various positions at the company from 1974-2005. Since his retirement from Tetra Pak, Mr. Bayle has established Magnetic North, a management consulting firm that provides mentoring and consulting services to large multinational companies in the greater Middle East region, with a particular emphasis on human resources and organizational processes and development. Mr. Bayle, who holds a Master's Degree in Business and Finance from France's Dauphine Université (Paris IX Université), has received numerous awards during his professional career, and has been recognized for his contribution to business and social organizations.

Oğuz Satıcı/Independent Board Member
Mr. Satıcı has been an independent Board member since 2012.

Mr. Satıcı started his career in his family business in the textile sector which he successfully expanded. Mr. Satıcı was notably the youngest person to be elected as an Assembly Member of the Istanbul Chamber of the Commerce (İTO) in 1990 and served as a board member of the Economic Development Foundation (İKV) between 1996 and 1998 and as the Chairman of the Istanbul Textile and Raw Materials Exporters' Association between 1999 and 2001. He was the Chairman of the Turkish Exporters Assembly (TİM) for three consecutive terms between 2001 and 2008 during which period his significant contribution to the more than 500% increase in export volume of Turkey is well acknowledged by the Turkish political and business community. Mr. Satıcı also served as a board member of the Coordination Committee for Improvement of the Investment Environment of Turkey (YOİKK) between 2001 and 2008 and of the Investment Advisory Council of Turkey (YDK) from 2004 to 2009.

Mr. Satıcı is currently also a board member of Turkish Eximbank and holds a BA in Business Administration from Washington International University.

1961 - ∞

PORTRAIT

Ambitious businessman, a true lover of Turkey
Gregory Michael Kiez, who was born in Canada, lived for the past twenty years in Turkey, where he has left behind a significant legacy as a successful businessman. He was Chairman of the Board of Ege Ports – Kusadasi, Chairman of the Board of Port Akdeniz – Antalya and Chairman of the Board of Global Ports Holding, all of which operate under Global Investment Holdings, where Mr. Kiez also served as a Board Member.

Gregory Michael Kiez held a BA degree in law from the University of Toronto and received numerous awards during his academic career, including scholarships from Norman Levy, Borden & Elliot, Dow-Hickson, as well as the James Cappon Award and the James McGill Award.

During the two decades he spent in Turkey, Gregory Michael Kiez, whose love for the country was well-known, promoted and defended Turkey many times on many platforms in addition to his contribution in creating a new industry sector and positioning Turkey as a major player within it.

Today, the Gregory Michael Kiez Applied and Theoretical Classrooms of the Adnan Menderes University Tourism and Hotel Management College facilities, which were constructed under his aegis and include twelve classrooms, three laboratories and two applied training kitchens, welcome approximately 2,000 students daily.

In parallel with his philanthropic activities, Mr. Kiez placed great importance on the protection of works of art and world heritage. From 2006 onwards, he served as a board member of Texas A&M University-Institute of Nautical Archeology (INA) which is recognized as a leading institution in maritime archeology and has spear-headed many excavations, including the Istanbul Yenikapı excavation and the excavation of the Bronze Age Uluburnu shipwreck on display in the Bodrum Museum of Underwater Archaeology.

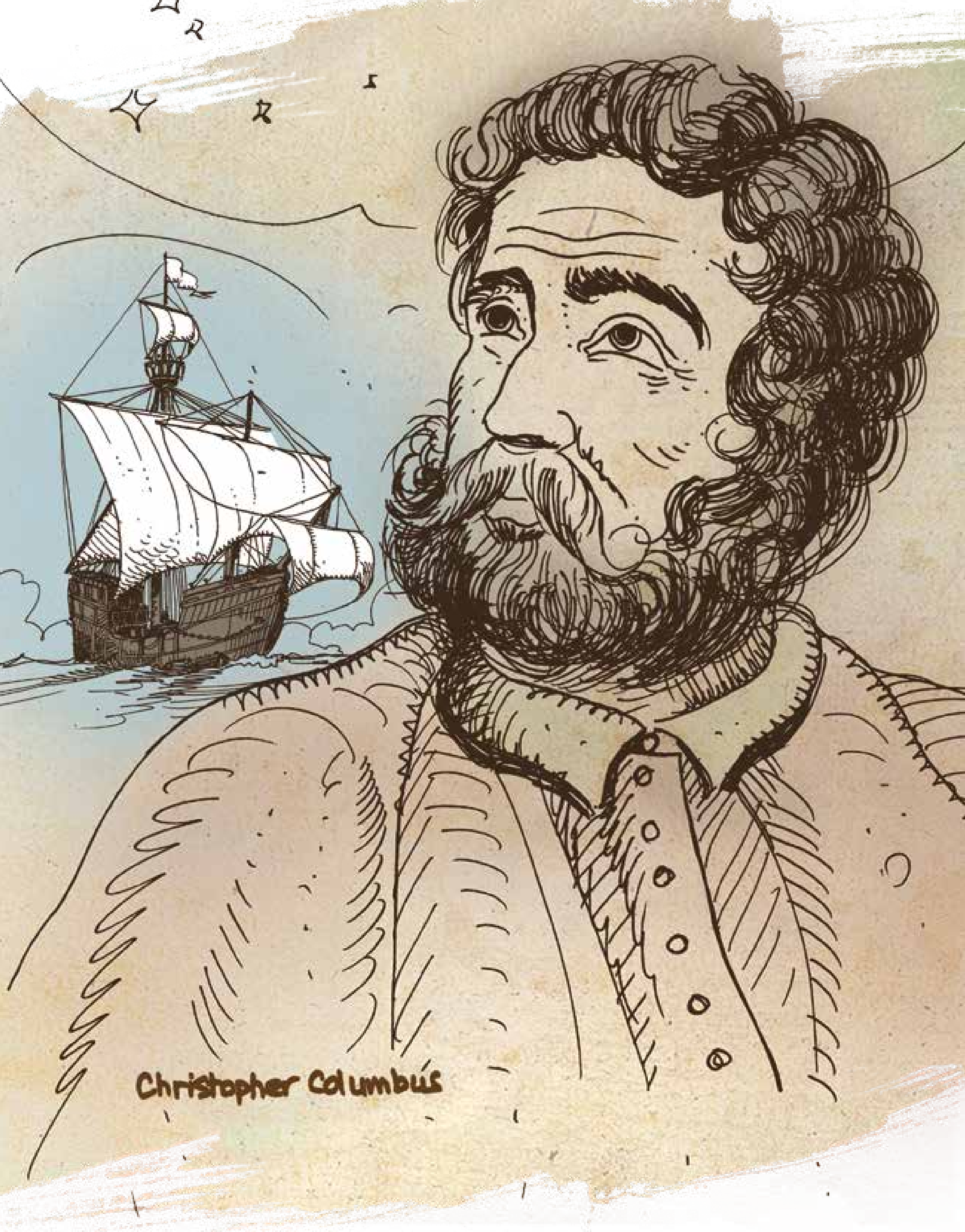
During his long tenure as a senior executive with Global Investment Holdings and its subsidiaries, Gregory Michael Kiez was a mentor to many members of the Global Family and to many of his colleagues within the finance and port sectors, owing to his meticulous work ethic, self-discipline, wisdom and considered guidance. He has left us with a final lesson in life by setting an example as a fighter, one last time, during the unrelenting battle that he waged against GBM for more than two years.

Sailing towards new goals

Having built vast experience over the years in port operations in Turkey, Global Investment Holdings aims to become an international port operator and to expand its presence in the Mediterranean as well as other regions by acquiring new ports.

CHRISTOPHER COLUMBUS

Christopher Columbus, the Genoese navigator and explorer, is known as the explorer of America. This exploration of the new continent was of utmost importance for the developing countries who continued to find new trade routes as well as for world history. New ports explored by Columbus did shape history.


Christopher Columbus

GLOBAL PORTS HOLDING

GPH generated gross throughput of 186,463 TEU, and 2.43 million tons of general and bulk cargo in commercial operations.

27,807,638 gross register tonnage (GRT) in cruise operations

Ports contribute significantly to local and regional economies, by among other things development of commercial and industrial business within their hinterland and employment opportunities. Global Investment Holdings' ports infrastructure business is active in the development and operation of marine terminals and other maritime-related facilities through its subsidiary Global Ports Holding ("GPH"), established in 2004. The business comprises commercial port operations, specializing in container, bulk and general cargo handling, as well as cruise operations serving cruise liners, ferries, yachts and mega-yachts.

The Group's port investments include a 72.5% stake in Ege Ports - The Port of Kuşadası, a 60% stake in Bodrum Cruise Port and a 99.8% stake in Port Akdeniz - The Port of Antalya.

Global Ports Holding expands its operations and increases profitability by focusing on:

- Investment in state of the art facilities and implementing efficient management systems, thereby facilitating rapid export and tourism growth in Turkey,
- Creation of higher margin cargo and secondary port activities,
- Optimization of cash generation at current facilities, and
- Targeting of commercial and cruise port privatizations and acquisitions in Turkey and the wider region.

Currently, GPH operates one mixed-use commercial and cruise port on Turkey's Mediterranean coast (Port Akdeniz - The Port of Antalya) and two cruise ports on the country's Aegean coast (Ege Ports - The Port of Kuşadası and Bodrum Cruise Port).

GPH's commercial port operations have a gross capacity of approximately 500,000 TEU and a 5 million ton capacity of general and bulk cargo as of year-end 2012. GPH generated gross throughput of 186,463 TEU, 2.43 million tons of general and bulk cargo in commercial operations and served 27,807,638 gross register tonnage (GRT) in cruise operations in 2012.

The Group hosted 691 cruise calls, 1,193 ferry calls, 777,791 cruise passengers and 147,570 ferry passengers during the year.

In 2012, Global Ports Holding participated in the major international event of the cruise sector, Cruise Shipping Miami, in Florida, USA, where Port Akdeniz - Antalya received "The Most Improved Terminal Facilities" award. Global Ports Group's objective is to excel in its provision of services and earn many more awards.

NET PROFIT *(TL million)*

TURNOVER *(TL million)*

GPH is a member of leading associations such as, CLIA (Cruise Lines International Association); ECC (European Cruise Council); and Medcruise Mediterranean Cruise Ports. At the Medcruise level, GPH also acts as an executive board member, representing 70 members and 100 ports in the Mediterranean. In addition, as a pioneer of the Turkish cruise industry, GPH was invited to join the Florida-Caribbean Cruise Association (FCCA) with the aim of developing new strategies and creating a solid networking base with Turkey.

GPH targets to add at least one overseas port to its portfolio in 2013. In this context, there are a number of ports in the Mediterranean basin, particularly Greece, which the Company closely monitors, as well as other targeted ports in the Adriatic region, Africa and Central America. Domestically, GPH is strongly interested in the privatization tenders for Derince, Çandarlı and Salıpazarı ports, all planned to be held in 2013.

In July 2011, 22.1% of the shares of GPH were acquired by VEI Capital SpA, an investment company of Italian Group Palladio Finanziaria. Subsequent to an agreement with VEI in December 2012, GIH has acquired 22.1% of GPH from VEI in February 2013, following which GIH's share in GPH increased to 99.9%. In parallel, GIH has mandated an international investment bank to evaluate alternative strategic options for its shareholding in GPH.

Global Ports Holding

Cruise tourism has grown by 10% per annum; a trend confirming Turkey's overall rise in tourism.

THE COMMERCIAL AND CRUISE PORT MARKETS IN TURKEY

Commercial Port Market in Turkey

The Turkish port industry has grown briskly over recent years as a result of privatization and general economic growth, but has yet to reach its full potential. Turkey enjoys a unique geographic location, with sea on three points of the compass: the Black Sea to the north, the Mediterranean to the south and the Aegean Sea to the west. As such, it may be considered a maritime gateway to European, Middle Eastern, North African and Central Asian markets. All told, Turkey has 160 ports and piers, with three operated by the Turkish Maritime Administration (TDİ) and two by the Turkish State Railways (TCDD), the rest being operated by the private sector.

The Turkish maritime sector is a vital component of the national economy; it has directly benefitted from Turkey's fast rising exports and imports in recent years. According to Turkstat, 90% of Turkey's foreign trade volume is conducted via sea transport. This is especially true for the construction sector, where Turkey is a leading exporter of cement and other construction materials. According to the Turkish Cement Manufacturers Association, Turkey ranks first in Europe and fifth in the world in cement production capacity. Additionally, Turkey ranked first in Europe and third in the world in cement exports in 2012; during the year, despite the civil conflicts that arose in the key cement export market of Africa, Turkish cement exports totaled over 14 million tons, with a value of more than US$ 0.9 billion.

Cruise Port Market in Turkey

Turkey has much to offer its visitors, ranging from breath-taking natural beauty and unparalled historical and archaeological sites, to a highly developed hotel and tourist infrastructure. Small wonder then, that the country has recently become one of the world's most popular tourism destinations, and a global favorite. The number of foreign tourist arrivals in Turkey has increased from 13.2 million in 2002, to 31.4 million in 2012, marking a 137% increase.

Cruise tourism has grown by 10% per annum; a trend confirming Turkey's overall rise in tourism. The 887 cruise ships visiting Turkey in 2003 carried a total of 582,000 passengers, while in 2012, 1,623 cruise ships carrying 2.2 million passengers docked at Turkish ports.

The leading cruise ports in the Turkish market are Ege Ports the Port of Kuşadası, Istanbul Salıpazarı Port and the Port of İzmir. These ports handled 71.20% of total calls and 81.79% of total passengers in Turkey in 2012, according to Undersecretariat of Maritime Affairs data.

EGE PORTS
PORTS
KUŞADASI

EGE PORTS (THE PORT OF KUŞADASI)

Ege Ports was the most visited port of call in Turkey and ranked 16th in the Mediterranean, receiving 564,555 cruise passengers and 59,176 ferry passengers in 2012.

Many centuries ago, trade ships and maritime commerce called to port directly into the harbor of Ephesus. However, the sands of time have since moved the coastline to the west, and now the bustling cruise ship port and beach resort town of Kuşadası is the gateway to one of the most important ancient cities in the whole of the Mediterranean. It is the Port of Kusadası that provides access within 20 minutes to Ephesus, one of most famous archaeological sites in the world. The Great Theater where St. Paul preached, the Roman basilica where St. John is buried, the House of the Virgin Mary and the solitary soaring column remaining from the Temple of Artemis, one of the wonders of the ancient world, are among the spectacular sights that await the visitor.

Home to the ultra-modern Ege Ports and its secure facilities, Kuşadası today is a far cry from the fishing village it developed from originally, like so many other of Turkey's coastal towns and villages. Indeed, according to G. P. Wild International, Ege Ports was the 16th most visited port of call in the Mediterranean, receiving 564,555 cruise passengers and 59,176 ferry passengers in 2012.

Ege Ports, operated by Ege Liman İşletmeleri A.Ş., was GPH's first acquisition. In 2003, 30-year operating rights for Ege Ports were acquired by a consortium that includes Global Ports Holding with a 72.5% share and Miami-headquartered Royal Caribbean Cruise Lines Ltd., the world's second largest cruise operator, with a 27.5% share.

Ege Ports can berth up to four large vessels, or up to four small and two large vessels. There are also two roll-on/roll-off ramps and a quay to service ferry traffic. The terminal building houses the Scala Nuova retail complex, a duty-free shopping area, first-aid care facilities, and a passenger and crew center equipped with Internet and international call access. The offices of ship and cruise operators and tour agencies are also located within the terminal facility.

Global Ports Holding

Ege Ports was the first Turkish port operator to be appointed as an Executive Member of the Cruise Lines International Association (CLIA) and the ECC (European Cruise Council).

Since its acquisition in 2003, the Group has made significant investments in Ege Ports which led passenger arrivals to increase by 377% during the period. Cruise tourism is becoming more popular world-wide, which has played a key role in the constant growth of cruise passenger traffic at Ege Ports; this alongside the rising popularity of Aegean and Mediterranean cruise destinations, and the introduction of larger cruise vessels that accommodate ever growing passenger numbers.

Ege Ports generates revenues from cruise port and ferry operations, and duty free shopping, as well as rental income from retail tenants in the Scala Nuova complex.

Owing to the rise in passenger arrivals, combined with the strong performance of its retail business, Ege Ports had net revenues of US$ 16.4 million in 2012, with EBITDA of US$ 12.7 million.

Global Ports Holding has always placed great importance on maritime and civil security at Ege Ports - The Port of Kuşadası since assuming control of the facility's operations in July 2003. In fact, Ege Ports was the first cruise port in Turkey to qualify as compliant with the International Ship and Port Facility Security Code (ISPS Code).

Since 2007, Ege Ports - The Port of Kuşadası has been recognized with numerous awards and distinctions, including:

- Best Turkish Port of the Year by Skal, the international association of travel and tourism professionals in 2007;
- First Port in Turkey to be fully compliant with the standards of the International Ship and Port Security, and one of the Best Ports in the World in Security and Safety Services from CLIA in 2007;
- One of the fastest-growing ports from Lloyd's Cruise International Magazine in 2007;
- Cruise Terminal of the Year in Lloyd's 2008 Turkish Shipping Awards;
- Ranked among the top 15 in the leading 30 European cruise ports by G. P. Wild International Ltd. in 2010;
- Nominated Best Cruise Port at the World Travel Group's 2010 World Travel Awards.

KUŞADASI PORT 2008-2012

	2008	2009	2010	2011	2012
Cruise Passengers (thousands)	557.5	568.1	491.7	662.7	564.5
Ferry Passengers (thousands)	68.9	67.3	62.8	62.0	58.9
Total Passengers (thousands)	**626**	**636**	**554**	**724**	**623**
Cruise Calls	646	616	536	574	487
Ferry Calls	685	714	680	607	484
Total Calls	**1,331**	**1,330**	**1,216**	**1,181**	**971**

GPH TOTAL 2012 CRUISE PORT OPERATIONS

Cruise calls	*679*
Ferry calls	*1,168*
Cruise passengers	*777,791*
Ferry passengers	*146,769*

12.7

EGE PORT'S EBITDA IN 2012
(USD million)

Global Ports Holding

About 90% of Turkey's foreign trade volume is conducted via sea transport.

33.5
Port Akdeniz EBITDA (USD million)

PORT AKDENİZ
ANTALYA

PORT AKDENIZ (THE PORT OF ANTALYA)

Situated on a striking limestone promontory at the base of the Taurus Mountains, the region of Antalya, where the mountains meet the sea, is a place of natural beauty and ancient history. This is also a mineral rich region with local production of marble, chromium, cement and clinker. Apart from the famous beaches dotting its 630 km shoreline, the area is known for its state-of-the art wellness as well as leisure and restorative facilities. The city is also a much sought-after congress center. Its historic quarter of Kaleiçi is wrapped in a fortification of sandstone hued ramparts, and the citadel and its storied harbor welcomed Sts. Paul and Barnabas in the 1st century, and later, Emperor Hadrian, whose name graces the triumphal marble entryway into the city. Further afield, the province is strewn with ancient cities, most notably Perge and Aspendos. Over 11 million tourists visited Antalya in 2012.

GPH acquired 40% of Port Akdeniz in 2006 and subsequently increased its share to 100% in July 2010.

GPH has made significant investments in order to increase the capacity of the port, with its proximity to Antalya International Airport and numerous tourist and historic sites. As a result, both commercial and cruise operations have increased rapidly and steadily.

Port Akdeniz has evolved into a multi-functional facility

Initially operated as a commercial port, Port Akdeniz has evolved into a multi-functional facility that covers a total marine area of approximately 136,000 m^2. The Port has 10 berths, which can accommodate bulk, general and container cargo, as well as cruise vessels; the Port also includes a marina with a 250 berth and a 150 yacht dry-dock capacity.

Port Akdeniz aims to continue boosting its existing dry bulk-general cargo handling and container handling capacities as a commercial port which serves companies in the cement, clinker, coal, aluminum, marble, mining, chemicals and agricultural sectors. Since 2006, Port Akdeniz's container cargo volume increased by a CAGR of 31.2%.

In 2012, Port Akdeniz posted total revenues of US$ 43.4 million, marking a robust 17% rise over the prior year, as a result of capital improvements and increased operational efficiency.

Port Akdeniz collects the "Most Improved Terminal Facilities" award

In confirmation of this achievement, Port Akdeniz in March 2011 received the prestigious "Most Improved Terminal Facilities" award, thanks to the swift turnaround in both port operations and management. The award was presented by "Dream World Cruise Destinations Magazine"

following its survey of key executives in the cruise sector among hundreds of ports and destinations in 15 separate categories to determine the winner for the year 2010.

Port Akdeniz Goes Wireless

Port Akdeniz introduced the use of new Wi-Fi network access point technology in day-to-day port operations. The state of the art network enables real-time access between Port operators and to the main operations software at the operations center, which leads to a significant improvement in ROI. The new technology provides highly efficient coordination and handling of vessels, as well as movement of containers. Real-time communication eliminates paperwork by allowing all task information to be communicated through wireless devices. All of these benefits will help the Port to meet its turnaround targets and improve services to its customers.

Fruit and Vegetable Exports at the Port of Antalya

In 2012, the Company pioneered the opening of the first direct marine lines connecting the Port of Antalya to Russia for the transportation of fresh fruit and vegetables in custom designed vehicles. This new service makes a significant contribution to the Turkish economy not only by enhancing the marketability of Antalya's farmers and exporters, but also by largely decreasing the trucking required, providing savings on fuel costs and emission levels, thus, providing a positive impact on the environment.

PORT AKDENIZ 2008-2012

Total Volumes	2008	2009	2010	2011	2012
General Cargo (thousand tons)	1,002	1,603	1,544	1,243	1,340
Dry Bulk (thousand tons)	1,164	1,237	1,574	1,116	1,089
Container (thousands TEU)	67	63	125	169	186
Cruise Calls	43	25	61	77	60
Cruise Passengers (thousand)	25	13	138	139	159

Global Ports Holding

Bodrum Cruise Port has a total area of 22,000 m^2 and the capacity to berth two large-sized or four smaller cruise ships simultaneously.

BODRUM CRUISE PORT

Cruise ship passengers arriving at the chic resort town of Bodrum, an increasingly popular, yet relatively new destination, are met among many other attractions, by St. Peter's Castle, its presence dominating the entire bay. Beyond the port is the Mausoleum of Halicarnassus, another of the seven wonders of the ancient world located on Turkey's shores. Today of course, Bodrum is not only famous as the birthplace of Herodotus, the father of historical recording, but is even more renowned as the epicenter of Turkey's nightlife. Artists and performers of all nationalities and fields perform in Bodrum's evocative settings, giving concerts in its castles, amphitheatre and Byzantine sites. Bodrum Cruise Port has serviced cruise, ferry and mega-yacht traffic both around the Bodrum peninsula and between Turkey and the Greek island of Kos since it began operating as a privatized port in 2008.

Bodrum Cruise Port was originally tendered by the State Railways, Ports and Airports Construction Administration in September 2003 through a 13 year build-operate-transfer (BOT) agreement. In April 2007, GPH acquired a 60% stake in the Port's operator. The other shareholders of Bodrum Cruise Port are Setur Turistik Servis A.Ş., a duty-free operator owned by the Koç Group of Turkey, and Yüksel Çağlar, a local entrepreneur, with shareholdings of 10% and 30%, respectively.

Bodrum Cruise Port has a total area of 22,000 m^2 and the capacity to berth two large-sized, or four smaller cruise ships simultaneously. The Port also houses three roll-on/roll-off ramps for motorboats in addition to quays that harbor small boats. The terminal building includes a duty-free shopping area, bank, foreign exchange office, travel agency, car rental office, restaurants and a lounge. In May 2011, the Port completed its pier extension project, which increased the length of the finger pier from 240 meters to 350 meters, enabling larger ships calling at the Port.

A Popular Shelter for super and mega-yachts

Bodrum Cruise Port has, since commencing operations in 2008, swiftly become a well-liked port for super and mega-yachts, providing fresh water, power, duty-free fuel and provisions to yachting patrons.

Since acquisition by GPH, apart from participating in international cruise events and important tourism fairs, Bodrum Cruise Port has hosted a series of cultural events to attract both local and foreign tourists to its facilities and promote Bodrum as a premier tourism destination. The World Travel Awards 2011 recognized Bodrum Cruise Port's excellence in the cruise tourism sector with a nomination in the "Europe's Leading Cruise Destination" category.

Bodrum Cruise Port has committed capital expenditure to further enhancing Bodrum's appeal to both local tourists and cruise passengers, having completed the installation of additional marine structures, including trim anchors for hydrofoils and mega-yachts. Two mooring dolphins have also been constructed to enable larger cruise vessels to call at the Bodrum Cruise Port.

During 2012, the Port received 132 cruise ship and 684 motorboat calls with 53,480 and 87,789 passengers, respectively, generating total revenues of US$ 2.6 million for the year.

2.6
TOTAL REVENUE
(USD million)

BODRUM CRUISE PORT 2009-2012

	2009	2010	2011	2012
Ferry Passengers (thousands)	4.8	67.9	73.1	87.7
Cruise Passengers (thousands)	37.7	31.6	45.9	53.4
Total Passengers (thousands)	**42.5**	**99.6**	**119.0**	**141.1**
Cruise Calls	92	98	86	132
Ferry Calls	26	363	641	684
Total Calls	**118**	**461**	**727**	**816**

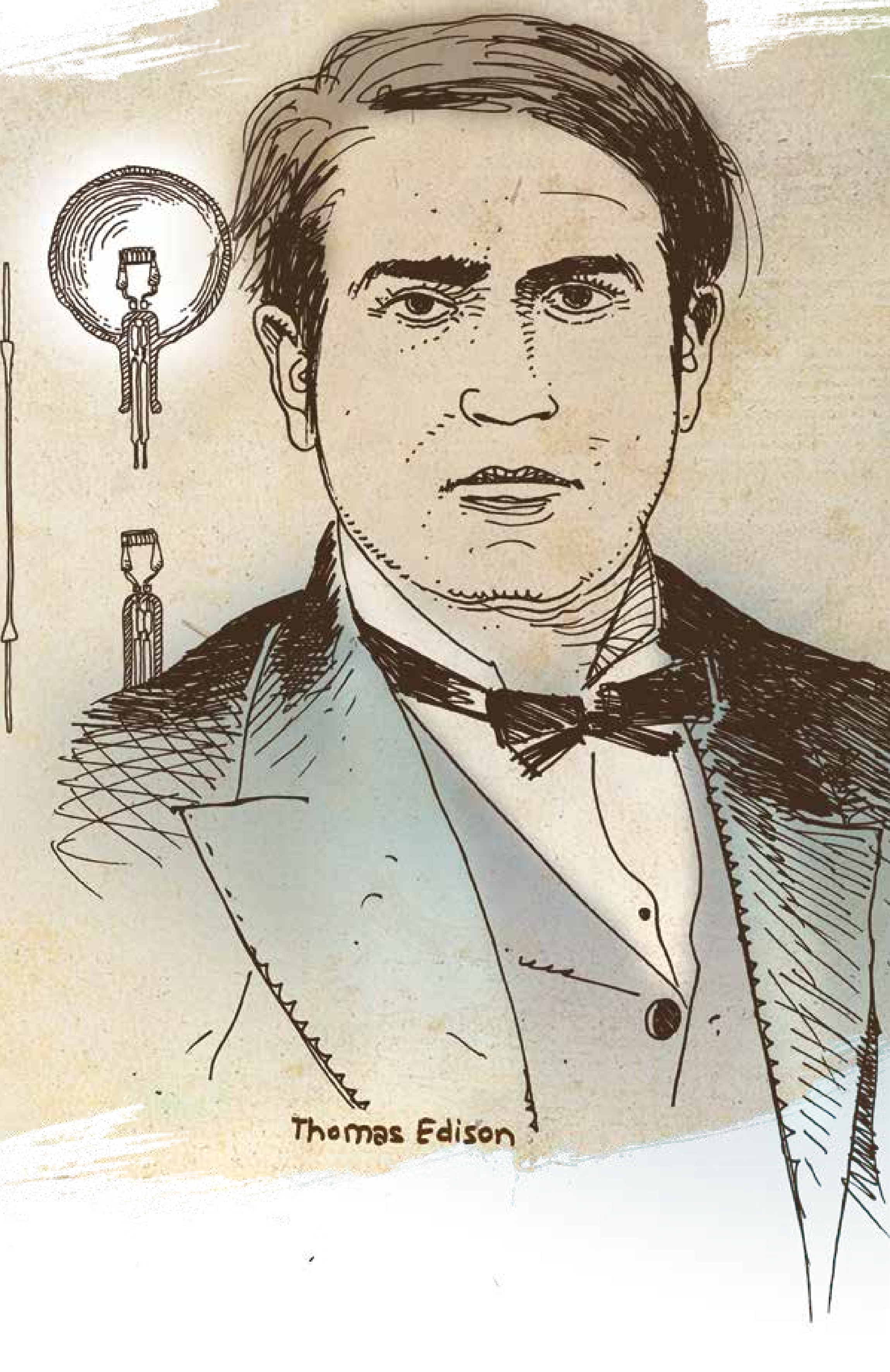
GLOBAL
INVESTMENT HOLDINGS

Realizing promising investments

Global Energy enjoys a brilliant portfolio consisting of compressed natural gas distribution and investments in energy generation, including coal-operated thermal power plant and renewable energy resources.

THOMAS EDISON

As an American inventor and businessman whose inventions greatly influenced life around the world during the 20th. Century, Thomas Edison enlightened life with several inventions, primarily the electric light bulb. Through his inventions, he added tremendous value to everyday life and steered the energy sector.


Thomas Edison

GLOBAL ENERGY

Global Energy develops new projects in the mining, energy efficiency, and renewable energy sectors while continuing its investments in natural gas and power generation.

Global Energy, a wholly owned subsidiary of Global Investment Holdings is established to create a robust platform for the energy sector investments of the Group.

Global Energy owns 80% of Naturelgaz, a company engaged in the sale and distribution of compressed natural gas (CNG). Global Energy is also developing a thermal power generation plant, and is expanding the scope of its energy operations with solar and other renewable energy projects, each at various stages of development. In 2012, Global Energy has also invested in tri-generation as well as in mining of feldspar.

Global Energy follows two main strategies in the energy sector:

- Investing in mid-to large-size power generation facilities.
- Providing energy solutions to small-to mid-size enterprises.

Global Energy's investment strategy involves the building of power plants that will increase national electricity generation. In this regard, the Company plans to start construction of the Şırnak Thermal Power Plant in 2013. The Şırnak Thermal Power Plant will have an installed capacity of 2 x 135 MW, and is scheduled for completion in 30 months; it will generate on average 2.0 billion kWh of electricity per annum.

The Şırnak Thermal Power Plant will set an important precedent as a project generating energy from domestic fuel resources. The Company's vast asphalite mine has a capacity much more than those fuel requirements for the 2 x 135 MW power plant. The project stands out as a key generation facility in Southeast Turkey, and is also one of the major private sector investments in the region. The plant will supply power to the energy-intensive industries in the area by using the region's rich asphaltite reserves. When operational, the power plant can facilitate the export of electricity to Iraq and Syria.

On the other hand, small-to mid-size enterprises (SMEs) constitute a significant contributor to Turkey's economic growth. Although SMEs constitute the fastest-growing and most dynamic group in Turkey, for various reasons, until recently they did not have access to reliable competitive energy solutions.

Global Energy owns Naturelgaz, which markets and sells CNG to Turkish industrial and commercial enterprises. Naturelgaz is currently the leader in the Turkish CNG market, and has plans to maintain its dominance despite potential new entrants to the market by concentrating on its rapidly growing workforce, customer base and sales volumes.

In addition to the sale and distribution of compressed natural gas (CNG), Naturelgaz also provides equipment and installation services tailored to its customers' needs. Naturelgaz is focusing on growing in the wholesale CNG market, and also expanding its present CNG business into the transportation sector. The Company plans to rapidly establish a station network, as well as CNG conversion centers for trucks and buses. Accordingly, Naturelgaz is currently building a nationwide station network and conducting the conversion of standard engines into CNG-powered vehicles.

In this respect, the strategy of Naturelgaz is summarized as:

- To deliver compressed natural gas to those industrial and commercial enterprises which do not have access to the Turkish natural gas pipeline network,
- To convert and supply Turkey's close to 1 million heavy duty diesel vehicle and bus fleet with CNG fuel that will deliver 35% cost savings.

In line with its investment strategies, in 2012, Global Energy started to prioritize energy efficiency projects that benefit SMEs. Accordingly, in 2013 and onwards, Global Energy plans to continue its ongoing investments in retail natural gas and electricity generation, while at the same time undertaking new energy efficiency-focused investments in tri-generation and small-scale renewable energy projects. Over the coming years, Global Energy plans to further focus on SMEs to expand its energy generation and service solutions.

Until 2012, Global Investment Holdings also owned 50% of Energy Investment Holdings ("EIH"), which controls subsidiaries operating regional natural gas distribution networks in 10 regions in Turkey. In July 2012, GIH sold its shares in EIH for a total value of US$ 75 million to STFA, which owns the remaining 50% of EIH. In parallel to this restructuring of its energy portfolio, the Group acquired 25% of Naturelgaz from STFA and another 30% from other shareholders to increase its shares in Naturelgaz to 80%.

Finally, in 2012 Global Energy also moved into the mining industry with the acquisition of a company producing feldspar, and targets to expand its investments in this sector with other acquisitions in the year 2013.

Global Energy

Sales volume of Naturelgaz reached 27 million m³ in 2012, resulting in a compounded average growth rate of 63.08% per annum since 2005.

NATURELGAZ

Global Energy acquired a 25% stake in Naturelgaz in 2011 and subsequently increased its share to 80% in 2012. Naturelgaz, a company established in 2004, is the market leader in the sale and distribution of Compressed Natural Gas ("CNG") in Turkey.

In addition to being the leader in the Turkish CNG distribution market, Naturelgaz is also a pioneer in establishing a nationwide network in Turkey. It intends to distribute CNG through its "Mother Stations" which have access to a natural gas pipeline network as well as its "Daughter Stations" which are supplied by a company operated road transportation system. Further, Naturelgaz is the first and the sole CNG distributor in Turkey to have both an R&D department dedicated to the conversion of diesel and gasoline vehicles into CNG, and also to have the authorization to register CNG vehicle licenses.

The Turkish CNG market is currently almost entirely made up of bulk CNG supplied to industrial facilities and commercial consumers such as hotels and shopping malls which do not have access to natural gas pipelines. The sales volume of Naturelgaz reached 27 million m³ in 2012, resulting in a compounded average growth rate of 63.08% per annum since 2005. Some 97.5% of sales in 2012 are bulk CNG with only 653,000 m³ representing sales of auto-CNG. The existing customer portfolio of Naturelgaz mainly consists of well-established private institutions made up from the manufacturing and commercial sectors in the bulk CNG segment as well as municipal or private local transportation networks using auto-CNG.

Naturelgaz procures its gas mainly from the state owned company BOTAŞ. Naturelgaz also procures gas from private gas import companies and

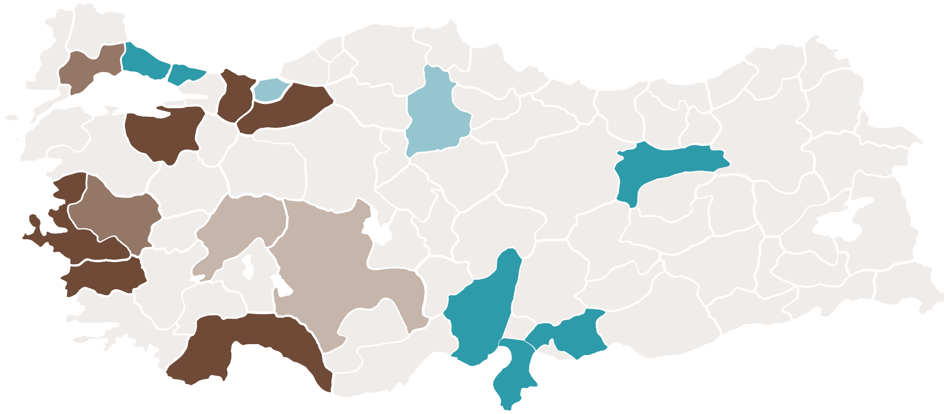
Turkey CNG Sales According to EMRA

CNG Sales Volume between 2007-2011 *(million m³)*

Years	2007	2008	2009	2010	2011
	29.1	36.5	33.9	46.2	55.5

Naturelgaz 2005-2012 Sales Volume *(million m³)*

	2005	2006	2007	2008	2009	2010	2011	2012
Sales/m³	0.9	9.2	9.2	14.2	12.5	12.9	15.8	27.8



March 2013 in Operation:

- **Mother:** Adapazarı, İzmir, Bursa, Bolu, Aydın, Antalya
- **Daughter:** Manisa, Tekirdağ
- **Under Construction:** Afyon, Konya

2013 Projects Planned:

- **Mother:** Bursa II, Adana, İstanbul Avrupa, İstanbul Anadolu, İskenderun, Erzincan, Gaziantep
- **Daughter:** Çorum, Düzce

private gas distribution companies which are increasing in number and size parallel to the liberalization of the natural gas wholesale market in Turkey.

Naturelgaz carries out its operations under three different classes of licenses issued by EMRA (Energy Market Regulatory Authority) and the Ministry of Industry:

- A CNG sales license for each of its retail sales locations,
- A CNG transmission and distribution license to transport CNG within Turkey without any regional limitations,
- A license for CNG conversion of motor vehicles.

- As of 4 March 2013, Naturelgaz had a total of eight CNG stations in operation and another four under construction. The Company endeavors to increase its number of stations to 23 by the end of 2013.

The facilities and equipment established by the Company conform to EU regulations.

Naturelgaz has an exclusive agreement with an Italian technology supplier for diesel to CNG (Compressed Natural Gas) conversion of truck engines. The equipment is ECERIIO compliant in Italy, and truck brands such as Mercedes, BMC, Ford, and Iveco conveniently operate within this system. Naturelgaz has also acquired ISO 9001, ISO 14001, OHSAS 18001 certifications in 2012.

Distribution Network

Naturelgaz is expanding its network with a combination of company-owned and operated retail stations and dealer owned and operated stations. The Company distributes CNG both directly from the “Mother Stations” under its ownership and through secondary stations (“Daughter Stations”) owned and operated either by the Company, or by a third party dealer. CNG delivery from “Mother Stations” either to “Daughter Stations”, dealers, or directly to end-users, are carried out by using special purpose CNG trucks.

New Vision for the Transportation Sector

Naturelgaz is expanding its existing bulk CNG sales into the road transportation sector.

Global Energy

Naturelgaz established a conversion center in Kurtköy, İstanbul in January 2013 which has a capacity of converting 3,200 vehicles per annum.

The use of CNG in road transportation provides two key advantages compared to other energy sources:

- Cost efficiency – CNG provides savings on fuel cost up to 35%.
- CNG is more environmentally-friendly than relevant fossil fuels such as oil, diesel, petroleum and LPG. The emission values of CNG are very low when compared to the other commonly used fuels. Natural gas burns without residue and does not emit smoke. Natural gas is a non-poisonous gas because it does not contain carbon monoxide. Emissions are reduced by 25% in carbon dioxide, 60% in ammonium oxide, 75% in hydrocarbon and 50-80% in acid and ozone formation in comparison to oil derivatives and diesel.

The target customer segments in auto-CNG are:

- Intra-city transportation networks operated by municipalities or contracted private companies.
- Customers operating large heavy and mid-sized commercial vehicle fleets (logistics, cement).
- Privately-owned heavy and mid-sized commercial vehicles operated on an individual or shared basis.

Although many heavy and mid-sized commercial vehicle manufacturers are introducing CNG OEM models, the development in the conversion of existing diesel engines into CNG is still a key element in the growth of CNG in road transportation. To this end, Naturelgaz has established a conversion center in Kurtköy, İstanbul, in January 2013 which has a capacity of converting 3,200 vehicles per annum.

POWER GENERATION

Rapid economic growth and increase in income levels drive a fast increase in electricity demand. Turkey, which has a constantly growing economy at sustainable levels, despite the global slowdown in recent years, has experienced significant growth in its electricity market.

Turkish electricity consumption reached 242 billion kwh in 2012, resulting on a compounded average growth rate of 6.2% per annum since 2002 as compared to a CAGR of 4.9% in its GDP during the same period.

Furthermore, Turkey's energy demand has increased the most rapidly among OECD countries over the past 10 years.

According to the projections by the Turkish Ministry of Energy and Natural Resources, electricity demand will continue to rise in the medium term at an average rate of 6.5% - 7.5% per annum.

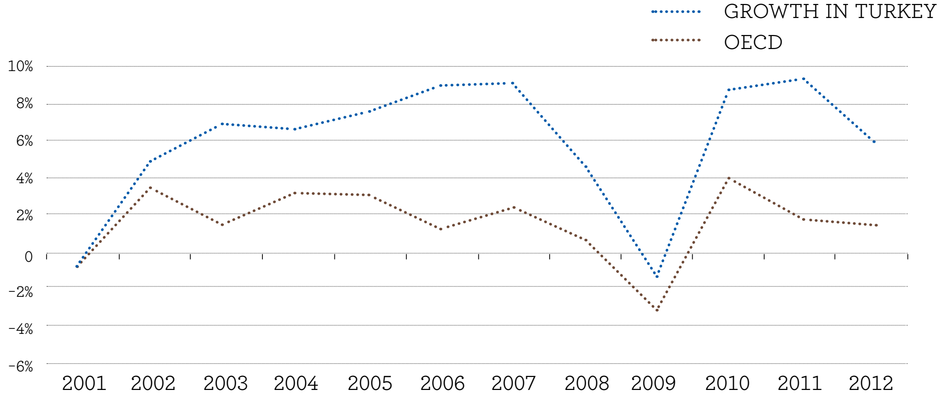
The installed power generation capacity in Turkey reached 57,071 MW at the end of year 2012. However, to meet the projected level of demand, Turkey is still required to double its existing installed capacity over the next decade. Currently, 40% of total generation in Turkey is from state-owned power stations. As new investments by the private sector come on line and with the completion of the on-going privatization of a significant portion of state-owned power stations, the share of the private sector in generation is projected to increase to 80% by 2015. On the other hand, the privatization of the distribution network has almost been completed. In short, within years the Turkish power sector will complete its transformation into an efficient market dominated by private players.

TURKEY

Electricity Consumption

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
billion Kwh	128	126	132	141	150	160	174	190	198	194	210	229	241
Growth		-1.1%	4.5%	6.5%	6.3%	7.2%	8.6%	8.8%	4.3%	-2.0%	8.4%	9.0%	5.5%

ANNUAL GROWTH OF ELECTRICITY GENERATION



Global Energy

Global Investment Holdings has acquired a 75% stake in RA Doğu Madencilik A.Ş. (“Ra Mining”), which operates a licensed feldspar mine in the province of Muğla.

Energy efficiency solution – Tres Energy

In parallel to the overall transformation of the power sector, relatively new concepts such as energy efficiency and carbon emission policies will continue to gain momentum. Energy efficiency will require all commercial consumers, in particular those more prone to power costs, to develop and make new investment in infrastructure and human resources in order to remain competitive. This would lead to a new sector which will create measurable added-value to its customers. In this respect, Global Energy has established Tres Energy in 2012 which will focus on providing energy efficiency solutions to industrial and commercial customers as well as building micro generation facilities.

Tres Energy offers power generation solutions (cogeneration/trigeneration) via combined power and termal plants. The Company designs, constructs and operates turn-key small to mid-size power plants for industrial and commercial customers who use power for electricity, heating and cooling purposes. Tres Energy identifies the optimal energy generation system and capacity specific to each customer and delivers solutions based on alternative funding structures including build-operate models. Utilizing its efficient business model, the Company completes the power generation facilities without any funding from its customers, thus relieving the customers from the financial burden of capital expenditure along with offering professional energy management services. The Company`s objective is to adapt a performance-boosting business model tested worldwide to fit Turkey’s commercial and legal framework so as to enable Turkish corporate energy consumers to gain advantage against their international competitors in input costs and to have uninterrupted access to high-quality power at competitive prices.

With its well-experienced workforce and robust financial structure, Tres Energy carries out a free-of-charge energy analysis of an enterprise, installs cogeneration/trigeneration facilities that suit its customers’ needs to provide them with high-quality, reliable and cheap energy, operates completed existing cogeneration/trigeneration facilities and also manages a customer’s entire energy infrastructure.

Şırnak Thermal Power Plant Project

Galata Energy is developing a 2 x 135 (270) MW circulating fluidized bed boiler thermal power plant in Şırnak, in southeastern Turkey, under a 49-year power generation license issued by the Energy Market Regulatory Authority. Galata Energy plans to source the required coal for the power plant from the asphaltite mine owned by another Global Energy subsidiary, Geliş Madencilik, under a long-term supply agreement. Excavation in the field is carried out through open pit mining, which results in a relatively lower coal cost.

Geliş Madencilik currently holds a 30-year concession to operate eight known pylons in the region. The Company is now extracting coal from one of these pylons, namely Avgamasya. The studies conducted at this pylon confirmed asphaltite reserves of 40 million tons, which is sufficient to supply the power plant for 30 years. The results also indicated that coal from the pylon has one of the highest calorific values found in Turkey reaching up to 4,000-4,500 kcal per kilogram of coal.

Global Energy signed an engineering, procurement and construction (EPC) contract for the construction of the power plant as well as an Operations and Maintenance (O&M) contract, with a Chinese company CNEEC (China National Electricity and Engineering Company). CNEEC will also take a 10% stake in the power plant and will be responsible for its operation and maintenance for the first four years.

The construction of the initial 270 MW thermal power plant, which once operational will generate 2.0 billion kWh of electricity per annum, is scheduled to take 30 months. The construction requires total investment of US$ 350 million and is expected to provide employment for 2,500 people.

Global Energy plans to conduct further reserve assessment studies for the remaining seven pylons in the license area. Given the potential of the remaining seven pylons, the reserves in the mining field, subject to confirmation by detailed reserve studies, are considered to be sufficient to supply up to 2,000 MW of installed thermal power generation capacity. Global Energy is set to continue subsequent phases of the project to utilize full capacity over the coming years.

Feldspar Mining

A key ingredient of the glass, ceramics and paint industries, sodium feldspar is mainly extracted in the Manisa, Kütahya, Aydın and Muğla provinces of Turkey. With overall reserves of 130 million tons, Turkey holds 10% of the world's total feldspar resources and is currently the world leader in feldspar mining with 5 million tons of annual production. The feldspar extracted in Turkey is valued for its high quality, i.e. low iron and titanium content. Some 80% of annual production in Turkey is exported to Spain, Italy, Russia, Lebanon, Egypt, Germany, Poland, Israel, Algeria, Romania and Asia. The use of feldspar increases the impermeability and durability of the final products in the ceramics industry, facilitating higher yields. On the other hand, the increase in use of glass in packaging due to the detrimental effects of plastics on the environment and human health has led to growth in the demand for feldspar, which is used for insulation and clarity in the glass industry.

Global Investment Holdings has acquired a 75% stake in RA Doğu Madencilik A.Ş. ("Ra Mining"), which operates a licensed feldspar mine in the province of Muğla. Ra Mining has total reserves of 20 million tons in its licensed field of operation and currently produces 300,000 tons per annum, 70% of which is exported to Italy and Spain for use in the glass and ceramics industries. The Company already has a well-established customer base and it strives to ensure that every product offered fully meets the standards of European markets in terms of quality and service. Following acquisition by Global Energy, the Company continues contributing to the Turkish economy by exporting natural resources, and on completion of planned further investment in 2013/2014, will increase production volumes and employment with the deployment of world class advanced technologies.

With the acquisition of Ra Mining, Global Energy has moved into the mining sector and is planning further investments to mine and operate Turkey's underground natural resources.

Global Energy

Global Energy will expand its asset base by selectively pursuing both greenfield and brown field investment opportunities as they arise in privatization and private sector transactions.

ENERGY DIVISION TARGET PROJECTS

Renewable Energy Projects

Although Global Energy's primary strategic focus is the development of the Şırnak coal-fired power plant, the Company recognizes the importance of a well-balanced and diversified power generation portfolio that also includes high-growth, renewable energy sources in Turkey.

To this end, the Company plans to evaluate opportunities in renewable energy, including hydro, wind, geothermal and solar generation. The Company will expand its asset base by selectively pursuing both greenfield and brownfield investment opportunities as they arise in privatization and private sector transactions.

Solar Energy Projects

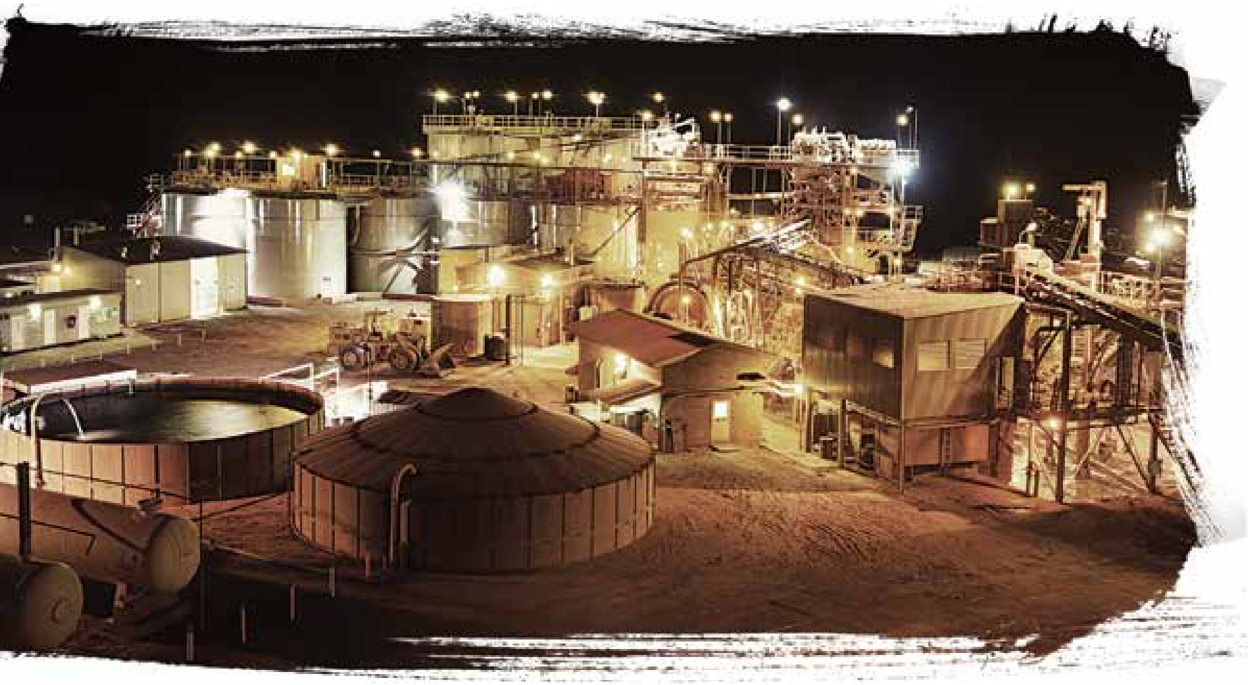
Global Energy, in conjunction with a leading Europe-based investor and system integrator, began to identify suitable project locations for solar power generation in Turkey and to conduct the mandatory studies to obtain a generation license in order to realize the Company's goal of becoming a market pioneer in solar power project development in Turkey.

Turkey has initiated a major renewable energy and energy efficiency program drawing on its excellent geographic conditions for generating wind, solar and geothermal power. This program targets increasing the country's clean energy share to 30% of its power supply by 2023, coinciding with the centenary celebrations of the Turkish Republic.

Evaluations of the potential of solar energy made by EIE, and based on data collected by the State Meteorological Services from 1966 to 1982, indicate that Turkey has great potential with:

- Average annual insulation duration of 2,640 hours (7.2 hours/day),
- Average annual solar radiation of 1,311 kWh/m^2-year (3.6 kWh/m^2-day).

The Turkish Grand National Assembly on 3 January, 2011 revised the renewable energy law, governing the generation of energy from renewable resources. According to the law, renewable energy plants will be subject to guaranteed electricity sales prices of between US$ 7.3 and US$ 13.3 per kWh. Companies that use solar power will receive the most support with a treasury guaranteed tariff rate of US$ 13.3 per kW/h. The law also provides additional support for companies with generation facilities that use equipment and components manufactured in the domestic market. These incentives for using local equipment may add US$ 0.4 to US$ 2.4 per kW/h to the tariff rate for a period of 10 years.



Global Energy has developed, together with its partner, a portfolio of 25 solar power plant projects located mainly in eastern and southeastern Turkey – within the 1st and 2nd level regions; combined, the projects have a total generation capacity of 450 MW. Preliminary designs, yield calculations and initial lease agreements for the land parcels have mostly been completed.

In addition, as part of the project development initiatives, the Company has completed the installation of solar radiation measurement devices at its respective project sites. As required by tender process, license applications for certain projects are expected to be completed within 2013.

450 MW

TOTAL CAPACITY OF GLOBAL ENERGY'S SOLAR POWER PLANT PROJECTS

Aiming to achieve higher targets

Having extended its commercial real estate portfolio to include new and unique projects, Global Investment Holdings maintains its steady growth in this field.

ANTONI GAUDI

Antoni Gaudi, the famous Catalan architect and the pioneer of the Art Nouveau movement in Spain, has created the most famous architectural works in Barcelona. He transcended the dominant historical styles of the 19th Century and created his own aesthetic that is difficult to categorize.


Antoni Gaudi

GLOBAL REAL ESTATE

Turkey is increasingly appealing to foreign investors for a number of reasons, including the government's market-friendly policies.

With a large, young and growing population and robust rural-urban migration, Turkey possesses the requisite demographic mix for a large and thriving property market.

The Turkish real estate market enjoyed a relatively lucrative position between 2009 to 2012 as compared to the EU and US, on the back of a high-performing growth economy and a robust banking system. Further, increasing employment levels, industrialization, higher population growth, urbanization and social housing development projects by the state owned Housing Development Administration helped the real estate and construction sectors to achieve growth exceeding the GDP growth rate.

On the other hand, in parallel to the slowdown in GDP growth, in particular during the second half of the year, the real estate market also slowed in 2012. Following two consecutive years of double-digit growth, there was also a sharp slowdown within the construction industry in 2012.

The anticipated rate of growth in the Turkish economy in 2013 exceeds the previous year. Further, the recent law easing restrictions on foreign property ownership has the potential to boost foreign demand for new projects in the country over the coming years.

In a longer term view, with a large, young and growing population and robust rural-urban migration, Turkey possesses the requisite demographic mix for a large and thriving property market. And when viewed in light of an attractive long-term economic growth perspective, it is no wonder that the Turkish property market has registered on the radar of foreign investors for some time.

Istanbul is particularly significant in terms of Turkey's prime real estate sector. In recent years, many high profile commercial and residential construction projects have been launched across the city which is expected to continue as Istanbul builds its reputation as an international business hub and tourism center.

Turkey is increasingly appealing to foreign investors for a number of reasons, not least of which is the government's market-friendly policies. Also, enormous demand for infrastructure development, including power grids, transport infrastructure and housing further underpins strong domestic demand growth over the next few years. And as infrastructure develops, companies become better able to reach more consumers efficiently, in turn expediting the evolution of tastes and preferences nationwide. Retail channels should therefore develop quickly in support of this development as more consumers trade up from informal independent stores.

In 2012, Turkey saw the launch of 45 new shopping malls; in the coming year, an additional 29 are expected to open making for a total of 350. Gross leasable area (GLA) standing of 8.1 million m^2 at end-2012 is expected to be 11.5 million m^2 by the end of 2014.

The Turkish real estate market enjoyed a relatively lucrative position between 2009 to 2012

Global Real Estate

The Group primarily focuses on multi-use commercial real estate development projects.

PERA
REAL ESTATE INVESTMENT TRUST

PERA REIT AND REAL ESTATE PROJECTS

Real estate projects of the Group are primarily managed by Pera REIT, a real estate investment trust trading on Borsa İstanbul. Pera REIT is engaged in real estate development with a primary focus on commercial projects. Its current operating and ongoing investments portfolio include commercial, multi-use commercial and residential, and high-end summer residence and hotel development projects. The Group holds a long-term view in real estate investments and forefronts greenfield development to acquisition of completed projects.

A dedicated team of professionals with vast experience in the tourism and real estate sectors manage the existing portfolio as well as continuously seek new business development opportunities. The experience and ability of the Group to team-up with local or international strategic partners enable it to seek new development opportunities without any limitation on the investment size.

The historic Vakıfhan No. 6 building, and the Denizli Sümerpark shopping mall and housing projects are held solely through Pera REIT.

Pera REIT, offering an attractive real estate investment vehicle for institutional and individual investors as a listed entity, and like all other real estate investment trusts, benefits from certain incentives, including exemption from corporate tax, while being subject to rigorous corporate governance regulations under the regulations of the Turkish Capital Markets Board.

Pera REIT has reached TL 215.3 million total assets as of 31 December 2012.

Vakıfhan No. 6

Vakıfhan No. 6 is located in Karaköy, is a commercial neighborhood in the Beyoğlu district of Istanbul, Turkey, at the northern part of the Golden Horn mouth on the European side of the Bosporus. Karaköy, one of the oldest and most historic districts of the city, is today an important commercial center and transport hub.

The historic Vakıfhan No. 6 building faces Salıpazarı Port, which is the second busiest cruise port in Turkey in terms of passenger arrivals. The Port extends 1.2 km along the Bosporus Strait and comprises a total land area of 110,000 m^2. Salıpazarı Port is ringed by the historic Eminönü, Galata, Karaköy, Topkapı and Fatih districts of Istanbul, and is situated within easy reach of the historic peninsula with its inheritance of monumental Byzantine and Ottoman history. In February 2013, the Privatization Administration of Turkey announced the privatization timetable for Salıpazarı Port and the initial bids are due 30 April 2013. The Salıpazarı Port project is an extensive urban renewal initiative, which in addition to redeveloping a modern cruise port includes tourism and recreation facilities.

The Vakıfhan No. 6 building is leased through a restore-operate-transfer (ROT) agreement signed with the General Directorate of Foundations in February 2005 for a period of 15 years. The rehabilitation and restoration completed in August 2006 has been the first real estate project in the district surrounded by many historical building and has led the way for numerous developments since then. The six-story building, with a total indoor area of 1,700 m² is fully leased for use as office, restaurant and a boutique hotel.

Denizli Sümerpark

Denizli, located in Turkey's Aegean region, is a growing industrial city in southwestern Turkey with a population close to 1 million (2012). The city has witnessed remarkable economic development in recent decades, based notably on the production and export of textiles, and it is frequently cited along with a number of other Turkish cities as a prime example of the so-called "Anatolian Tigers" in reference to its rapid pace of development. Denizli also attracts many visitors to the nearby mineral-coated hillside hot springs of Pamukkale. The ancient ruined city of Hierapolis, as well as the ruins of the city of Laodicea on the Lycus and the ancient metropolis of Phrygialies is also nearby.

The Denizli project is a mixed-use development on 98,418 m² of freehold land conveniently located along the İzmir – Denizli highway owned solely by the Group and includes a shopping mall, 608 residential units, a hotel complex and a hospital.

The flagship of the development, Sümerpark Shopping Mall, with a 34,500 m² of gross leasable area opened in March 2011. The Mall is currently occupied by well-known brands as anchor tenants including Tesco Kipa, Electroworld and Tekzen under long-term leases up to 25 years. The Mall also includes complementary fashion retailers and food court tenants and currently has a 95% occupancy rate. The Mall received 5.8 million visitors in 2012.

5.8

SÜMERPARK SHOPPING MALL

(million visitors)

Global Real Estate

Global Real Estate's development project in Van will be a landmark due to its conceptual design and location.

The "Sümerpark Evleri" housing project is planned in three phases. The first phase, comprising 154 units in two blocks, was completed and delivered to owners in June 2012. The whole project comprising 608 units including Phase I shall be completed within three years.

The Denizli development projects also include construction of a hotel on a 5,545 m^2 separate plot and a hospital on another 10,745 m^2 plot. The Group is in the process of selecting the operators for the hotel and the hospital as this annual report goes to print.

Van Shopping Mall and Hotel Development

Beautifully positioned near the lake that it takes its name from, Van is home to striking monuments such as Van Castle, the mountain fortress of Hoşap and the remote village of Bahçesaray, as well as the Church of the Holy Cross. These sites offer visitors the opportunity to see unparalleled remains of the historic Urartu, Armenian, Seljuk and Ottoman civilizations. Van is an engaging and liberal urban center in eastern Anatolia, as well as an important commercial center and a transportation point for animal hides, grains, fruits, vegetables and other products, both regionally and with neighboring countries, including Iran, Iraq and Armenia. Van Province has a population estimated at more than 1 million, with the city center home to over 400,000 residents. Yüzüncü Yıl University, which enrolls more than 18,000 students, is located in the city. Furthermore, the city is an air and ground transportation hub for the country's southeastern cities such as Bitlis, Hakkari, Siirt and Muş.

The city, and in particular the city center, is going through a massive urbanization with a new comprehensive zoning plan following the earthquake that hit Van in late 2011.

The Group holds the title of a 16,611 m^2 freehold property located at the cross section of the busiest main streets in the city center. The development envisages a mixed-use project that includes a hotel and a shopping center with a gross construction area of 44,700 m^2 and an approximate gross leasable area of 20,140 m^2; an underground parking garage with a 360-car capacity; and a 130-150 room international-standard four-star hotel. Van Province currently lacks a modern shopping mall and availability of 4-5 star hotel accommodation falls significantly below demand. The Group's development project will therefore be a landmark due to its conceptual design and location.

The planned shopping center is a supermarket-anchored mall, reflecting the local economic dynamics of potential retail tenants and customers. The mall will also include shops, a family entertainment center, cinema complex and food court.

Aqua Dolce Resort

Located only 64 kilometers from Turkey's coast, but also acting as a crossroads of three continents in the Mediterranean, the Turkish Republic of Northern Cyprus (TRNC) attracts considerable attention from vacationers with its numerous ancient archeological sites as well as medieval castles and unspoiled natural beauty, including clean sands and clear waters.

The Aqua Dolce Tourism & Recreation World project, named after the natural springs around the project site, entails development of a 260,000 m^2 land tract located on the coast of Tatlısu, Kyrenia in the Turkish Republic of Northern Cyprus. The Group believes that the relatively less condensed and lower-priced tourism and real estate markets of the TRNC, as compared to the southern part of the island, offer highly attractive investment opportunities, particularly as efforts to resolve political issues relating to Cyprus further progress.

Aqua Dolce Tourism & Recreation World, aiming to attract vacationers seeking a unique Mediterranean experience, will bring a new dimension to the luxury holiday concept. An area of approximately 60,000 m^2 is to include a 5-star hotel with 300 rooms; in addition, the hotel will have extensive facilities offering varied and high-quality options that meet all the requirements of holiday, business and entertainment travelers. At the heart of the resort is the Casino, which will offer a wide-range of gaming opportunities. Aqua Dolce Tourism & Recreation World will also include conference facilities of varying capacities designed to host seminars and business meetings; as well as a spa center, a sports center, and swimming pools; cafes, restaurants, bars; and outdoor sports facilities.

608

"SÜMERPARK EVLERİ" HOUSING PROJECT WITH 608 UNITS.

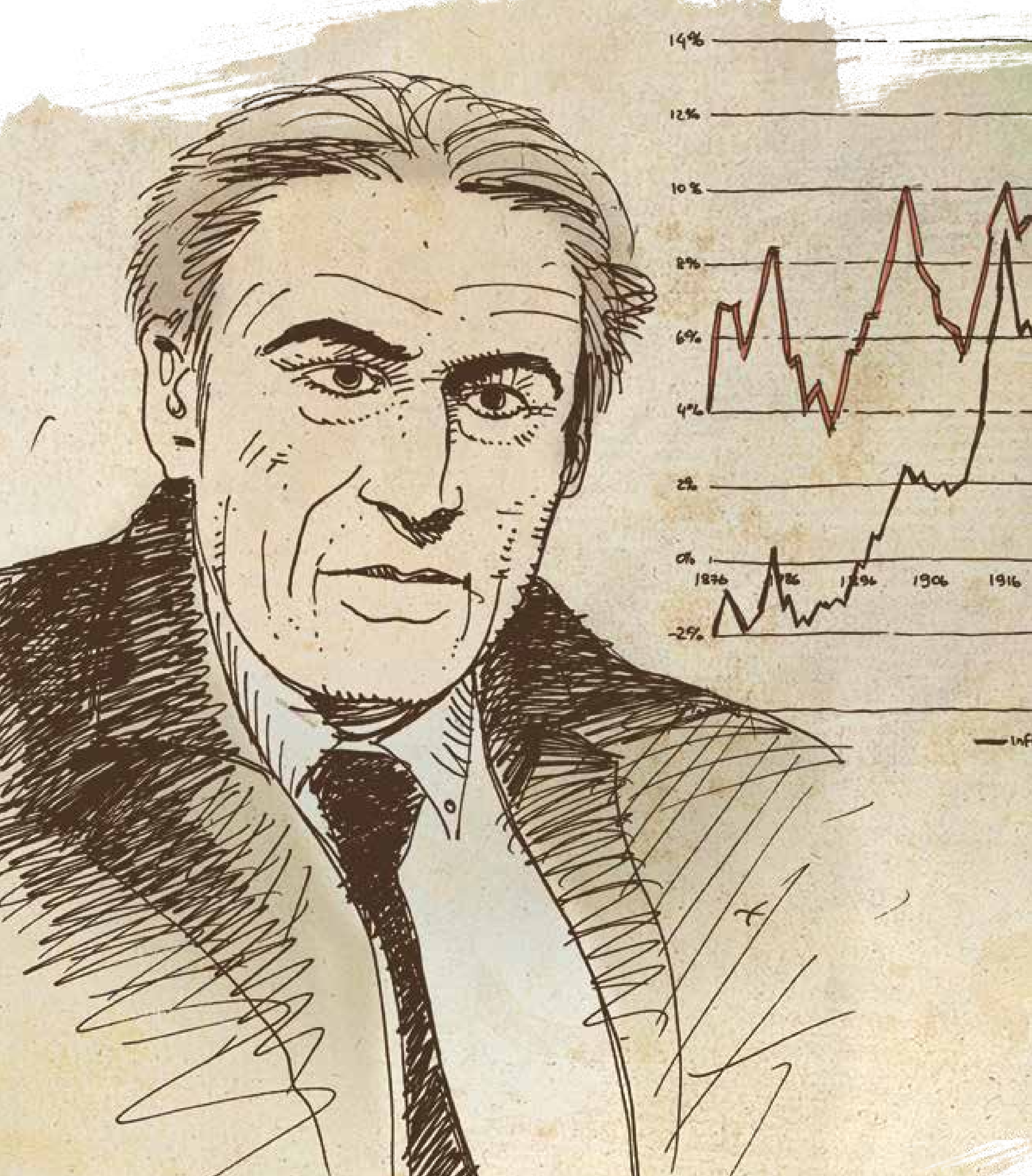
GLOBAL
INVESTMENT HOLDINGS

Shaping the markets' future

Continuing its rise among all non-bank brokerage houses in Turkey, Global Securities attained a stock trading volume of TL 25,769 million in 2012.

RAGNAR ANTON KITTIL FRISCH

It is certain that Frisch is one of the founders of economics as a modern science. He made several quite valuable basic contributions regarding the mathematical expression of economics and personally named new economic concepts.



Ragnar Anton Kittil Frisch

GLOBAL FINANCE

The Turkish financial sector maintains its robust structure with capital adequacy ratios well above international comparisons.

GLOBAL SECURITIES

The Turkish economy rebounded strongly following the global crisis owing to the successful economic policies as well as the reforms instituted including restructuring of its financial sector in previous years. The Turkish financial sector has consequently outperformed those of both developed and developing countries in recent years. Despite pressure on profit margins and the slow down in growth in 2012, the Turkish financial sector's capital adequacy ratio is still well above its peers and international and domestic legal requirements; accordingly, the sector has maintained its strong capital structure.

Although competition increases each year in the Turkish financial services market, the Group differentiates the well-established brand name of Global Securities and its reputation for quality in the market by emphasizing its high caliber research and exemplary client service. The Group further moves forward expanding its service range in the financial sector by establishing partnerships with reputable international institutions.

GLOBAL SECURITIES

Global Securities targets to maintain and further improve its market leadership position as a distinguished, reputable and trustworthy institution in the Turkish capital markets, by surpassing the financial return and service quality expectations of its clients.
Global Securities provides securities, corporate finance, portfolio management and derivatives trading services to its international and domestic clients. Founded in 1990, it swiftly established itself as a leader in Turkish capital markets, becoming the first equity brokerage house to be listed on the Borsa Istanbul (BIST). In 2004, when Global

Investment Holdings became an investment holding company, it spun off its brokerage and related businesses to a new, wholly-owned subsidiary, Global Securities. Apart from its local portfolio management subsidiary, Global Securities also has subsidiaries in the US and Kazakhstan. As the first Turkish NASD and SEC licensed brokerage house, Global Securities facilitates transactions on the NYSE and NASDAQ for the domestic investors.

Following an initial public offering of its shares in 2011, Global Securities became listed on the Borsa Istanbul (BIST).

In 2012, Global Securities ranked 14^{th} among domestic brokerage firms in Turkey, with a market share of 2.10% and equity trading volume of TL 25,769 million.

IEG Global Advisory

IEG-Global is a joint-venture between Global Securities and IEG-Investment Banking Group and provides financial advisory services on M&A, public offerings, equity & debt financing and privatization transactions in Turkey. With its experienced, multidisciplinary and international team based in Istanbul, the focus is on cross-border transactions and structured financings.

Founded in 1990, Global Securities is one of the leading financial institutions of Turkey offering exchange brokerage, investment consultancy, corporate finance and fund management services to local and foreign investors.

IEG-Investment Banking Group, established in 1999, is an independent, international investment bank, headquartered in Berlin with branches and associated offices in Amsterdam, Buenos Aires, Istanbul, Johannesburg, Mumbai, Sao Paulo, Shanghai, Tunis, Warsaw and Zurich. IEG's services include advisory on mergers & acquisitions, financing and financial strategy as well as the placement of equity, debt and hybrid capital. IEG has an execution team of 125 professionals in Berlin and its international offices.

Global Finance

AZ Global is introducing a new class of mutual funds in Turkey that offers the unparalleled advantages of investing in multiple asset classes. Receiving approval from CMB, AZ Global introduced four new funds that bring a unique and frontier approach to the industry. This new family of funds are first to offer unit classes, coupon payments and predefined maturity for investment.

AZ GLOBAL

AZ Global is geared towards becoming the fastest growing portfolio management company backed by innovative financial products by a new financial advisory model introduced by Azimut and the distribution network of Global Securities.

AZ Global is a client-focused portfolio management company, whose primary mission is to provide its investors with sustained and absolute returns, thereby enabling them to achieve their financial goals.

In 2012, the Azimut Group, the leading European independent asset manager and Global Investment Holdings combined strength, expertise and know-how to form AZ Global with the aim of redefining asset management in Turkey. AZ Global is owned 60% by Azimut and 40% by Global Securities.

Established in Italy in 1986, Azimut has since become one of Europe's leading independent asset management institutions. Azimut has in excess of 150,000 clients, with the support of more than 1,400 financial advisors. The group has assets under management of over US$ 25 billion across more than 60 investment instruments in Italy, Luxembourg, Ireland, Switzerland, Monaco, Turkey and China. Continuously supported by its global and unique reputation, Azimut aims to further develop its asset management platform allowing its customers around the world to access global investment products through a tailor made, local-market oriented financial advisory business model.

AZ Global is supported in the distribution of its financial products by a new financial advisory model introduced by Azimut and Global Securities, the well-established brokerage house with many years of experience in corporate finance, research and capital markets advisory services in Turkey.
AZ Global is introducing a new class of mutual funds in Turkey that offers the unparalleled advantages of investing in multiple asset classes with daily liquidity, periodic coupon payments, differentiated unit classes, exposure to international markets and active risk management.

Moreover, based on Azimut Group's worldwide expertise, Global Securities will provide financial advisory while accompanying clients throughout their investment decision making process in an exclusive relationship focusing on:

Absolute Return Flexible Mutual Funds
AZ Global aims to deliver absolute returns on its products without being constrained by any benchmark tracking strategy.

Coupon Payments
For the first time in Turkey, AZ Global offers mutual funds with periodic coupon payments, thus providing solid cash flow throughout the investment period.

Daily Liquidity
AZ Global provides daily liquidity, which helps its clients to freely dispose of their assets without any maturity constraints.

Efficient Investment Products
AZ Global investment funds, with one of the lowest expense ratios in the industry, seek to offer profitable long term financial solutions for both individual and corporate investors.

Active Risk Management
Using portfolio compositions that employ active risk management techniques and diversified financial instruments by maturity and currency, AZ Global offers its clients preservation of capital for long-term wealth accumulation.

Discretionary Portfolio Management
AZ Global can design its financial advisory service based on discretionary portfolio management, thus maximizing the potential to meet personal requirements and risk profiles through a dynamic wealth management style.

20

AZIMUT'S ASSETS UNDER MANAGEMENT
(US$ billion)

SUBSEQUENT EVENTS

- On April 9, 2013 the Board of Directors of Global Investment Holdings resolved to propose the distribution of gross cash dividends of TL 13,365,000 for the approval of the General Assembly of the Company.
- In the first quarter of 2013, Global Investment Holdings successfully completed two separate TL bond issuances; the first with a maturity of 725 days and the second 1,116 days, each with a total value of TL 75 million.

13

GROSS CASH DIVIDENDS
(TL million)

INVESTOR RELATIONS

Global Investment Holdings is transparent and provides timely and thorough communication to its investors.

The Global Investment Holdings Group has a transparent relationship with its investors and provides them with timely communications. The Group is committed to increasing both shareholder and customer satisfaction by adopting and adhering to world class corporate governance and investor relations guidelines.

In line with the Group's commitment to timely public disclosure and transparency, investor relations are managed by a dedicated Investor Relations Department, which handles the daily information flow to the investment community.

In 2012, the Group's Investor Relations Department responded to numerous investor requests via phone, email, social media and postal services; additionally, the IR Department proactively contacted relevant financial institutions with relevant and important news updates. The Department also established an investor relations micro website, to expedite the handling of investor queries addressed to the Group.

All current and potential investors are encouraged to contact the Group at investor@global.com.tr. and to visit the new IR website at ir.globalyatirim.com.tr.

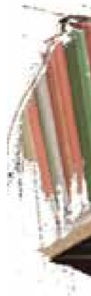
In 2012, Global Investment Holdings has been recognized by:

- iNOVA Awards, which honors overall excellence and innovation for corporate websites, receiving the Bronze award in the Online Reports – Multi & General Industry category.
- Galaxy Awards, Gold, Silver and Bronze in different categories. Global Investment Holdings won the Gold award in the Online Annual Reports, and Non-Traditional Annual Reports categories, the Silver in the Annual Reports-Diverse Business category, and the Bronze in the Covers-Annual Reports-Artistic/Illustrations category.
- Creativity International Awards – receiving the Silver award in the category of Annual Reports in Creativity International Awards, one of the longest running independent international advertising and graphic design competitions.
- LACP Spotlight Awards, ranked as the 4th Annual Report among the Top 100 reports at the LACP Spotlight Awards in 2012. Global Investment Holdings also won the Platinum award in the category of Print: Annual Reports.

Global Investment Holdings won the GOLD AWARD in the Online Annual Reports, and Non-Traditional Annual Reports categories.

GLOBAL INVESTMENT HOLDINGS GROUP CORPORATE CITIZENSHIP

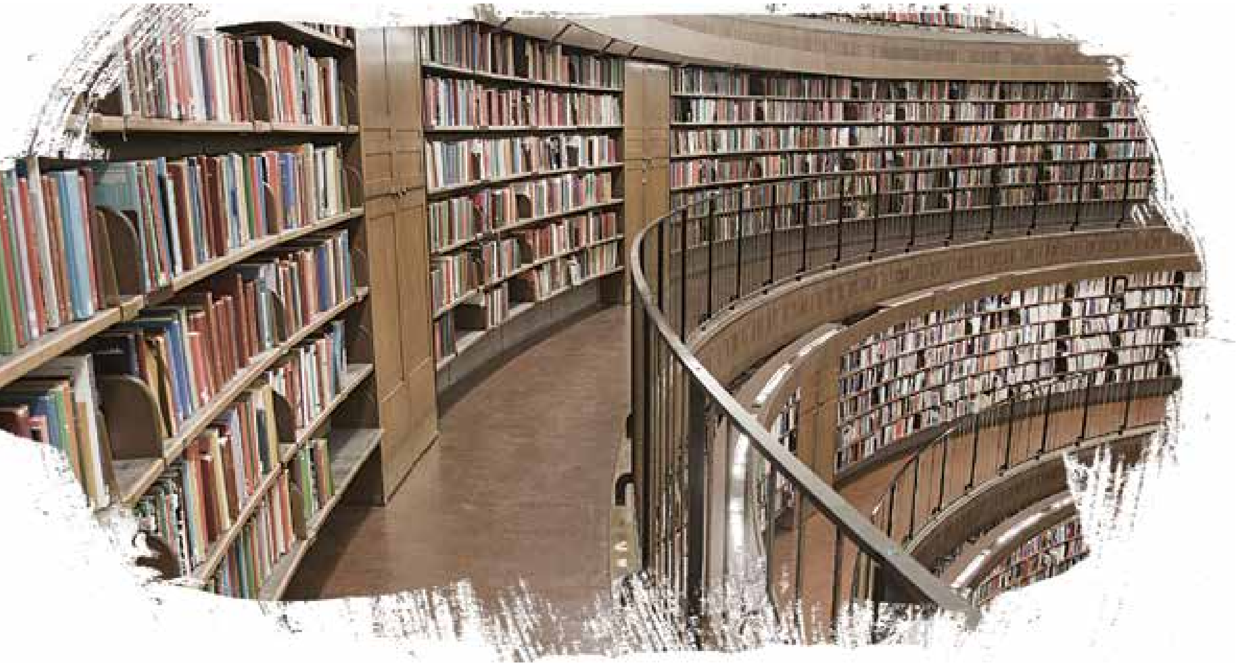
Global Investment Holdings sponsors, and has continued to further its contribution to educational, charitable, cultural, social and sporting causes, as well as related projects and events.



Global Investment Holdings and its subsidiaries are committed to putting in place processes that integrate social, environmental, and ethical and human rights concerns into their business operations and core strategy in close collaboration with its stakeholders and the communities it operates in. To this end, the Company's sponsorship activities continued in 2012 to further educational, charitable, cultural, social and sporting causes, this in addition to focusing on related projects and events.

Singling out contributions to education as the most important among its corporate social responsibility initiatives, the Group:

- Sponsored a nationwide Elementary Schools Study Books Support Campaign organized by a national newspaper in 2007, and contributed to a project run jointly by UNICEF and the Ministry of Education to construct two classrooms in Şanlıurfa-Harran.
- Completed the construction of dormitories at Erzincan University Refahiye Occupational High School in 2009. The İzzet Y. Akçal Refahiye Student Dormitories comprised 40 separate units in three blocks.
- Completed construction of Adnan Menderes University Tourism and Hotel Management College Group in collaboration with the Ministry of Education. The College, since opening its doors in 2009, has produced qualified human resources for the Turkish hospitality industry, while contributing to the cultural richness of Kuşadası and its environs.
- Completed construction of a 32 classroom elementary school in the town of Denizli in December 2010. In the same period it donated clothing, text books and supplies to the elementary school of the Muş Beşçetak village and also donated computers to numerous schools.
- Established the library of Şırnak Ipekyolu Primary School in 2012, with the aim of contributing to children's personal and educational development. Furthermore, the Group donated computers to Istanbul Dumlupınar Primary School, in parallel to its corporate citizenship commitment.
- Contributing to the community and the Adnan Menderes University Tourism and Hotel Management College, the Group has undertaken numerous initiatives to benefit its home city of Kuşadası and the area surrounding the Port since 2003. This has included the donation of computer and other equipment to local schools, as well as funding to rehabilitate local beaches, and technical assistance to Turkish state-run institutions. In addition to providing donations to various charities and regular support of those in need, Ege Ports also sponsored local motor sports clubs and provided financial support for the replanting of forest land damaged by fire.



- Organized various public concerts and made Ege Ports piers and other facilities available for other social, sporting and cultural events. These include celebrations during the holy month of Ramadan, and Mothers' and Fathers' Day, as well as traditional events such as camel rides and an annual fishing derby.
- Donated 4,000 school kits consisting of school supplies to students, especially in the highly damaged areas of the city following the Van earthquake of October 2011.

In 2013, the Group is initiating the "Global Investment Holdings Humanity Award," or as it is known the "Global Humanity Award." This award will be granted annually to one or more individuals who undertake successful studies in the fields of science, culture and arts, or health and the environment, in line with the appropriate corporate directive. The Global Humanity Award will be given to brilliant national and international projects in science, culture and arts, health and the environment, which directly or indirectly contribute to scientific, artistic and cultural life, enhance social and humanitarian values, and which are unique, create a legacy for future generations, and contribute to the promotion of Turkey in the international arena.

Global Investment Holdings values engaging in philanthropic undertakings that make a valuable contribution to promoting Turkey and improving, and fostering the growth of the local and national social, cultural and economic environment for the benefit of the country and its citizens.

IN 2014, GLOBAL INVESTMENT HOLDINGS GROUP IS INITIATING THE "GLOBAL HUMANITY AWARD" WHICH WILL BE GRANTED ANNUALLY TO STUDIES IN THE FIELD OF SCIENCE, CULTURE AND THE ARTS.

CORPORATE GOVERNANCE

GIH made a significant headway with regards to public disclosure in 2012; the company updated and revised its public disclosure policies.

Global Investment Holdings Group continues to pursue its corporate governance initiative implemented in 2006 to further formalize and institutionalize the governing principles of the Company and the Group.

Furthermore, action was initially taken to strengthen the independence of the Board of Directors by increasing its complement of non-executive members.

While the Company continues to submit annual reports on corporate governance compliance to its General Assembly and to the Capital Markets Board (CMB), the Corporate Governance Committee, assisted by legal counsel, has been mandated to prepare a comprehensive corporate governance policy to be formally adopted in due course by the Board. The members of the Corporate Governance Committee are Jerome Bayle (Chairman of the Committee), Ayşegül Bensel (Member of the Committee), Adnan Nas (Member of the Committee).

In addition to the Corporate Governance Committee, the Audit Committee, too, functions efficiently. The members of the Audit Committee are Oğuz Satıcı (Chairman of the Committee), Jerome Bayle (Member of the Committee).

The Company made significant headway with regards to public disclosure in the year 2012; public disclosure policies were updated and revised.

The corporate website was redesigned to allow shareholders rapid access to the data they need, and thus became much more comprehensive.

RATINGS

GIH's Long Term International Local Currency "BB" rating was upgraded from "Stable" to "Positive" in 2012.

CORPORATE GOVERNANCE RATINGS

In 2012, Global Investment Holdings' corporate governance rating was upgraded from its previous level of 8.36 announced on 28 December 2011 to 8.80. Besides this accomplishment, GIH figures in the highest category of Saha's World Corporate Governance Index (WCGI). The corporate governance rating is assigned in line with the Capital Markets Board's "Corporate Governance Principles," which cover the four main categories of Shareholders, Public Disclosure and Transparency, Stakeholders, and Board of Directors. As a result of the emphasis that GIH places on corporate governance principles, and the Company's keenness to manage these through a continuous and dynamic process, the rating was upgraded significantly due to the improvements undertaken in the 12 months since the assignment of the first rating.

CREDIT RATINGS

JCR Rating

JCR-Eurasia Rating affirmed the 'Positive' outlook of Global Investment Holdings A.Ş.'s investment grade credit rating of 'BBB- (Trk)' on the Long Term National Scale, and revised the outlook of its Long Term International Local Currency rating to 'Positive' from 'Stable.'

The JCR-Eurasia Rating underlined the fact that the geographically secured position of the port operations in the GIH's portfolio against competition, and their sustainable income generation capacity added a new stream providing income mix diversity through their internal resource generation capacity; this in addition to Global's revenue profile characterized by asset sales.

Sub-Sections Rating	
Shareholders	83.48
Public Disclosure and Transparency	93.11
Stakeholders	92.85
Board of Directors	82.62
Overall	88.04

8.80

GIH CORPORATE GOVERNANCE RATING IN 2012

Ratings

GIH's strong equity base and a healthy overall financial position has positively contributed to the Company's risk perception among investors.

JCR -Eurasia further stated that GIH's subsidiary sale in third quarter 2012 resulted in a marked improvement in the Company's debt ratios in favor of equity, and a rise in profitability. This development underpinned the 'Positive' outlook fot the GIH's rating on the Long Term National Scale assigned in the previous rating action dated 30 March 2012. JCR-ER has also assessed that the extent to which these will have a lasting effect regarding a rating upgrade would be clarified subsequent to the disclosure of 2012 year-end financial statements. On the other hand, the outlook for the Holdings' Long Term International Local Currency 'BB' rating was upgraded to 'Positive' from 'Stable'. The mix of the Group's sustainable revenue streams and recent improvements in portfolio structure, coupled with a strong equity base and a healthy overall financial position have positively contributed to GIH's risk perception among investors. GIH will continue to grow with new projects under development, which will lead to further rate increases in the short term.

The details of the revised ratings in this regard are given below:

Long Term International Foreign
Currency: BB / (Stable Outlook)

Long Term International Local Currency: BB / (Positive Outlook)

Long Term National Local Rating:
BBB- (Trk) / (Positive Outlook)

Short Term International Foreign
Currency: B / (Stable Outlook)

Short Term International Local Currency: B / (Stable Outlook)

Short Term National Local Rating:
A-3+ (Trk) / (Stable Outlook)

Sponsor Support: 3

Stand Alone: BC

Fitch Ratings

Fitch Ratings has affirmed Turkey-based Global Yatirim Holdings A.Ş.'s (Global) Long-term foreign and local currency Issuer Default Ratings (IDR) at 'B-'. The Outlook is Stable. The agency has also assigned a 'B-' rating to Global's US$ 40 million exchange issue. The senior unsecured debt has a Recovery Rating of 'RR4'. The notes' senior unsecured rating is in line with that of Global's Long-term foreign currency Issuer Default Rating of 'B-' and Fitch notes that it ranks junior to operating company debt.

BB

POSITIVE OUTLOOK
Long Term International Local Currency
JCR

GLOBAL INVESTMENT HOLDINGS CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

1. Statement of Compliance with Corporate Governance Principles

Global Investment Holdings ("GIH") accommodates and pays utmost attention for executing the Corporate Governance Principles published by the Capital Markets Board of Turkey ("CMB"). With the aim of adopting this approach, the Company conducts studies at the Board of Directors level.

In line with this, a Committee, including three Board of Directors, was established to carry out the necessary restructuring studies in the organizational structure and the Articles of Association of the Company. The requirement of incorporating at least two Independent Members in the Board of Directors, which is stipulated by the Company's Corporate Governance Principles, has been fulfilled.

Shareholders can find the comprehensive and updated information on GIH's website; also, they can pose their questions to the Investor Relations Department by phone, e-mail and through social media.

GIH continue to necessary revisions by examining the website and the annual report in more detail in terms of Corporate Governance Principles. The Board of Directors, senior management and all employees of GIH have always supported the adoption of the Corporate Governance Principles within the Company at every stage of the process.

Reasons for non-complied Corporate Governance Principles

The Company's Articles of Association contain no provisions stipulating that material decisions such as "demergers and share exchanges, buying, selling, or leasing substantial amounts of tangible/intangible assets, or donation and grants, or giving guarantees such as suretyship, mortgage in favor of third parties" are required to be taken at a General Meeting. The underlying reason is that the nature of the business in which the Company is involved requires it to buy, sell, and lease quite frequently. Having to hold a General Meeting every time such a transaction takes place is considered to be impossible and thus no such article has been included in the Articles of Association. This practice is refrained from in order to ensure that deals are made quickly and to prevent opportunities from being missed.

The preferred stock groups in our Company's Articles of Association were created before its IPO and our Company is not authorized to amend these privileges. Our privileged shareholders made an application to CMB in July 2010 in order to abrogate these privileges which was not approved.

That the Articles of Association entitle shareholders to appoint a special auditor, and that there is no additional provision on minority rights: Regarding this matter, our Company is of the conviction that the framework provided for by the Turkish Commercial Code and the CMB regulations is sufficient.

GLOBAL INVESTMENT HOLDINGS

MEHMET KUTMAN
Chairman

SERDAR KIRMAZ
Executive Board Member

Global Investment Holdings
Corporate Governance Principles Compliance Report

I. Shareholders

2. Investor Relations Unit

2.1 Structured as a holding on 01.10.2004, our Company complies with the legislation, Articles of Association and other Company regulations on the matter of exercise of shareholder rights and takes necessary measures to facilitate the exercise of these rights.

2.2 During the process of our Company's becoming a holding company in October 2004, "Investor Relations" subject was a priority; for this reason the Investor Relations Unit was established in the Organization Structure.

Information on the department that handles GIH's relations with shareholders is presented below:

Investor Relations Department:
Selran Çakır Baydar/Director
Begüm Döşlüoğlu/Specialist
Yağmur Büyükemre/Specialist

Address: Rıhtım Cad. No: 51 Karaköy 34425 Istanbul
Phone: +90 212 244 60 00
Fax: +90 212 244 61 61
E-mail: investor@global.com.tr

Main activities carried out by the Investor Relations Unit are summarized below:

- Ensuring that shareholder records are kept accurately, reliably and up-to-date;
- Responding to written information requests from shareholders, unless the requested information is publicly unavailable, confidential or a trade secret;
- Taking necessary measures to ensure that the General Assembly meetings are held in compliance with legislation in force, the Company's Articles of Association and other Company regulations;
- Preparing the documents that will be beneficial to shareholders for General Assembly meetings;
- Ensuring that meeting minutes are sent to shareholders;
- Monitoring and overseeing every aspect of the public disclosure process for compliance with legislation.

2.3 In addition to the foregoing, the tasks below, performed within the structure established in 2005, will be carried on by the Investor Relations Unit in tandem with the Financial Affairs and the Finance and Law Unit.

- Responding to written or verbal information requests from shareholders,
- Preparing the Company's investor presentation and updating regularly,
- Updating the Investor Relations section in the Holding's website,
- Arranging investor information meetings abroad,
- Managing investor visits in six month periods,
- Announcing quarterly financial reports to investors via teleconference or e-mailing,
- Organizing analyst meetings in parallel with the Public Disclosures Platform made to Borsa Istanbul.

2.4 Since August 2005, consequent to the roadshows realized with different brokerage houses, meetings are organized with investors, either by visiting or hosting at the headquarters of the Company.

3. Exercise of Shareholders' Right to Obtain Information

3.1 Queries, other than those relating to trade secrets and undisclosed information, received from shareholders and analysts by the Capital Markets and Investor Relations Department by letter, phone, email and other means are answered in the fastest and most effective way possible upon contacting the relevant person with the highest authority on the related matter. Furthermore, current and retrospective information and developments relating to GIH that are of interest to shareholders are regularly communicated to the concerned parties via the corporate website both in Turkish and

English. They are also regularly communicated to those registered to our database via email.

3.1 A total of 239 information requests received by GIH in the relevant period were answered.

3.2 The related Board Member works in coordination with the responsible units regularly to inform the shareholders.

3.3 Concerning the use of the rights of shareholders in 2012, any complaint was conveyed to our Company or there was not any examination/investigation about our Company including the request for the appointment of a special auditor.

4. Information on General Assembly

4.1 The Ordinary General Assembly meeting of shareholders regarding the Company's 2011 activities was held on 10 May 2012. The Company's share capital as of the date of the meeting, 51.28% was represented at the Ordinary General Assembly meeting.

4.2 Pursuant to applicable legislation, the invitation for the General Assembly Meeting was published in the Trade Registry Gazette, two national newspapers, Borsa Istanbul's Public Disclosure Platform system, and the Company's web site. There is no timeframe specified for the participation in General Assembly meetings of the holders of registered shares entered in the stock ledger. Holders of shares traded on Borsa Istanbul communicate their attendance to the General Assembly no later than one week prior to the date of meeting, pursuant to Article 360 of the Turkish Commercial Code, and obtain passes for the meeting. At the General Assembly Meetings to be held in 2013, the holders of shares traded on the Borsa Istanbul will be required to communicate their attendance to the General Assembly no later than one day prior to the date of meeting and obtain their passes, pursuant to Article 415/3 of the New Turkish Commercial Code. Secondary legislation issued as per the New TCC, lays out the principles of the Electronic General Assembly, which provides shareholders an alternative to being physically present at the General Assembly.

4.3 Before the General Meeting, the annual report and financial statements and reports, independent audit reports, profit distribution proposal, information document about General Assembly agenda articles and other documents, final version of Articles of Association, Amendments to the Articles of Association –if there will be a change in the Articles of Association– were made available for the inspection of shareholders at the Company's headquarters. Agenda and Amendments to the Articles of Association are announced by the method mentioned in 4.2.

4.4 At the General Assembly meeting, shareholders execised their rights to ask questions and all questions were answered by Board of Directors. No proposal was made to add an article to the agenda.

4.5 The General Assembly included a separate agenda item concerning the sums and beneficiaries of any donations and assistance made by the Company during the year, as well as the donation policy, and thus information was provided to the shareholders.

4.6 Forms of proxy statements are announced using the announcement methods mentioned under 4.2 for those who intend to be represented at the General Assembly meeting by proxy.

5. Voting Rights and Minority Rights

5.1 There are four different types of shareholders in our Company's capital, (A), (D), (E) and (C). Shares in Groups (A), (D) and (E) have privileges, and shares in Group (C) have no privilege. It has been stipulated that the Company's Board of Directors consists of seven members. All shareholders are entitled to nominate candidates for three Board Members. It is stipulated that only one of these three candidates shall be approved by the shareholders of Group (A) shares.

Global Investment Holdings
Corporate Governance Principles Compliance Report

For adoption of a range of Board resolutions specified in the Articles of Association, the shareholders of Group (D) and Group (E) shares are required to participate in the Board meeting and it is required that the resolution be approved by the Board members nominated by the shareholders of Group (A) shares.

5.2 The share capital of the Company does not involve any cross-shareholdings.

6. Dividend Policy and Timing of Distribution

6.1 The Profit Distribution Policy will be determined by the General Assembly of Shareholders upon proposals of the Board of Directors in accordance with the provisions of the Capital Markets Law and communiqués of the Capital Markets Board. For dividend distribution, the policy adopted by the Company is designed to be a consistent policy balancing the shareholders' and the Company's benefits, in accordance with the Corporate Governance Principles.

6.2 The Company makes dividend distribution in accordance with the Turkish Commercial Code and the CMB and within statutory periods. Under the Articles of Association, no privileges are granted on the Company's profit sharing. Dividend distribution is made within the statutory periods, as stipulated in the legislation, within the shortest time following the General Assembly meeting.

6.3 The Company's dividend policy was submitted to the attention of shareholders at the General Assembly and disclosed to the public via the corporate web site. At the General Assembly held on 10 May 2012, the shareholders were informed that no dividends will be distributed since the statutory financial statements for the year 2011 show no distributable profit, although consolidated financial statements prepared according to the CMB's regulations show distributable profit.

7. Transfer of Shares

The Company's Articles of Association do not contain any provisions that make it difficult for the shareholders to freely transfer their shares.

II. Public Disclosure and Transparency

8. Information Disclosure Policy of the Company

8.1 At the General Assembly, shareholders were provided with information about the Information Disclosure Policy of the Company, which was also published on the corporate web site.
The Board of Directors is responsible for overseeing, monitoring and developing the Information Disclosure Policy. The Investor Relations Unit Director, CFO and Chief Legal Advisor are the executives in charge of implementing the Information Disclosure Policy.

8.2 Together with the Investor Relations Unit, the Corporate Communications Department is responsible for overseeing and monitoring all issues related to public disclosures. Questions received from outside the Company are responded in the shortest amount of time possible by the CEO, CFO, and Legal Advisor or within the knowledge of and authorization limits set by the CEO, the CFO and Legal Advisor, by the Investor Relations Unit. Equality for social stakeholders in obtaining information is strictly observed when responding to the inquiries.

8.3 In quarterly periods, following public disclosure of financial statements of the relevant period, a press statement summarizing the financial situation of the GIH will be issued and published. The Company's annual report is regularly prepared every year and delivered to the investors as well as relevant institutions and establishments by the Investor Relations Unit.

8.4 Public disclosures are delivered by either the Chairman (Mehmet Kutman), individual Board Members, Financial Affairs and Finance Group Head (Kerem Eser) or Chief Legal Advisor (Uğur Aydın) depending on the content of the disclosure, or by the Investor Relations Unit according to the authority to which the disclosure will be made.

9. Material Disclosures

9.1 For public disclosures, the Company acts in compliance with the Capital Market Law, Capital Markets Board and Stock Exchange regulations and the CMB Principles. Public disclosures are announced on the Company's corporate website both in Turkish and English.

10. The Company Website and its Contents

10.1 As stipulated by CMB's Corporate Governance Principles, the Company website is actively used in public disclosures.

10.2 All matters related to the Investors Relations Unit are posted on the www.globalyatirim.com.tr website.

10.3 Our Company's website is clearly indicated on all corporate identity documents and promotional materials. The Company's website meets international standards in terms of informational content and layout. It is administered by the Investor Relations Unit. The main headings on the website are listed below:

- Detailed information on corporate identity,
- Vision and mission,
- Information on the members of the Board of Directors and Company's senior management,
- Company ownership structure,
- The Company's Articles of Association,
- Trade registration data,
- Financial data, annual and interim activity reports,
- Press releases,
- Regulatory disclosure of material events,
- Share performance and calculator,
- Investor presentations,
- Date and agenda for the General Assembly meeting and General Assembly information document,
- Minutes and attendance sheet of the General Assembly meeting,
- Proxy sample,
- Corporate Governance Principles, Compliance Report,
- Dividend policy,
- Information Disclosure policy,
- Frequently asked questions,
- Corporate Social Responsibility.

11. Disclosure of the Company's ultimate controlling shareholders

Changes in capital structure and in the capital structure of the Company, are publicly disclosed in accordance with relevant legislation. The Company's shareholder structure can be reviewed on the website.

12. Public Disclosure of Insiders

GIH is in complete compliance with rules governing insider trading as per capital market and related laws, regulations, and administrative provisions and takes all necessary measures to fulfill its responsibilities thereunder. For this purpose, GIH formulated an "Insider Trading Policy". The list of insiders has also been publicly disclosed on the corporate website.

III. Stakeholders

As a holding company, our shareholders and strategic business partners are our primary stakeholders. The information flow of all subsidiaries and the holding company is realized at a central location in order to maintain coordinated relations with stakeholders.

Besides, the personal experience and educational level of our employees directly affect the services offered by our Company and its subsidiaries being involved in the service industry, accordingly, the Company's human resources policy plays a vital role in this respect. The Company's human resources policy is specified with the "Personnel Regulations"

Global Investment Holdings Corporate Governance Principles Compliance Report

and the recruitments are announced on the Company's website. The feedback system based on the employees' performance system has been initiated at our subsidiaries, and it is aimed to apply the system across the Company.

13. Informing Stakeholders

When the stakeholders are classified together with the investors, business partners and employees, the disclosures to inform investors are explained in detail under heading "Informing Shareholders". The intranet system, established to provide detailed information to the Company employees, is also utilized to carry on in-company operational activities as well as to keep the Company employees informed about public disclosures and managerial issues that would affect the Company's business.

14. Participation of Stakeholders in Management

The members of the Audit Committee and Corporate Governance Committee participate in the weekly assessment meetings held by the unit managers, who can thus communicate to the senior management their opinions about the units and subsidiaries under their responsibility. Unit managers pose questions to committee members as they fulfill their duties. As such, the information flow mechanism between stakeholders and the committees passes through the unit managers.

15. Human Resources Policy

Global Investment Holdings maintains a forward-looking strategy in parallel with the fundamental changes in the national economic and political arena.

Backed by its expanding organization and professional teams, our Company offers opportunities for prospective managers regarding personal talent and career development.

At the recruitment stage, the Company offers equal conditions and job opportunities to candidates who hold documented university degrees and have relevant academic background, are fluent in English as well as speak other foreign languages and are successful individuals in their respective fields.

Yasemin Çakar is the Human Resources Director in charge of managing relations with employees. In the year 2012, no complaint was received from employees.

15.1 The Company's human resources policy has been defined in writing and announced on the intranet under heading "Personnel Regulation" both in Turkish and English. According to this regulation, the Company recruits individuals with superior knowledge and skills, easily adaptable to the corporate culture and open-minded for changes and development.

15.2 According to the human resources policy, the Company has adopted the principle of providing equal opportunities to employees of equal conditions with regard to recruitment and career planning. Thus, the positions are announced on easily accessible website and job applications are received via email.

15.3 Opportunities offered to employees and developments within the Company that may affect employees are shared by top management via email as well as through the intranet.

16. Information about Relations with Customers and Suppliers

Our Company is a holding company that does not have a direct relationship with customers and suppliers.

17. Social Responsibility

Global Investment Holdings and its subsidiaries consider their customers, shareholders, employees and the community in general as their basic social stakeholders they work for. At the Global Investment Holdings level as well as through its subsidiaries, the Group is deeply committed to its aim to ensure a better life for various communities we are a part of and operate in. In line with its aim, Global Investment Holdings Group makes contributions to and sponsors various educational, charity, social and sports activities and projects.

The subsidiary of Global Investment Holdings, Pera Gayrimenkul Yatırım Ortaklığı A.Ş. ("Pera REIT") completed the construction of a 32 class elementary school in the town of Denizli in February 2011.

Furthermore, the construction of Refahiye İzzet Y. Akçal Student Hostel, contracted by our subsidiary Global Liman İşletmeleri A.Ş., pursuant to the protocol signed by and between the Presidency of Erzincan University and the Provincial Special Administration of Erzincan on 15 December 2008, has been completed and delivered to the University and the Administration in October 2009. Some additional work was completed during 2010.

In the year 2012, Global Investment Holdings continued to give support to education within the framework of its social responsibility activities.

IV. Board of Directors

18. The Structure and Formation of the Board of Directors and Independent Members

18.1 The Company is managed by seven members elected by the General Assembly. The names of the members of the Board of Directors who were appointed in accordance with the Company's Articles of Association are presented below:

Mehmet Kutman – Chairman – Executive Member
Erol Göker – Vice Chairman – Executive Member
Ayşegül Bensel – Member – Non Executive Member
Serdar Kırmaz – Member – Executive Member
Adnan Nas – Member – Non Executive Member
Jerome Bernard Jean Auguste Bayle – Independent Board Member
Oğuz Satıcı – Independent Board Member

An up-to-date list of the Company's Board Members and their résumés are presented in the Annual Report and on the corporate web site.

In consideration of the Chairman Mehmet Kutman's investment banking career and his experience in business development and project management, the Board of Directors has decided to also appoint him as CEO.

18.2 Two independent members of Board of Directors satisfy CMB corporate governance principles pertaining to independence criteria.

18.3 There are no rules and/or limitations imposed upon the members of the Board of Directors with regards to their employment outside the Company. It is always taken into account that this is a holding company and being represented in the management of the associated companies is for our Company's benefit.

18.4 The duties of the Remuneration Committee were assigned to the Corporate Governance Committee, which, on 4 May 2012, submitted the names of two candidates meeting independence criteria to the Board of Directors.

18.5 In case a situation compromising the independence of a Board Member arises, the concerned independent member immediately informs the Board of Directors about this development, for an eventual disclosure to the public. In principle, Board Members who lose independence submit their resignation.

Following the resignation of the independent member, in order to meet the quota of independent members, the Corporate Governance Committee makes an evaluation regarding the selection of a new independent member to serve until the next General Assembly, and submits its decision to the Board of Directors in written form.

19. Qualifications of Board Members

19.1 The resumes of the members of the Board of Directors are available on our website at www.globalyatirim.com.tr.

Global Investment Holdings Corporate Governance Principles Compliance Report

19.2 Board members are elected from among individuals who have basic knowledge of the Company's line of business and high level managerial skills.

20. Mission, Vision, and Strategic Goals of the Company

GIH's mission, vision, objectives, and values are publicly disclosed on the corporate website.

Vision: Global Investment Holdings aims to become a leader in its operations, to initiate new and innovative projects with growth potential and to become a pioneer in developing and evolving the business environment in Turkey.

Mission: The Holding is committed to developing portfolio of competitive companies, within the sectors in which it operates, with strong and healthy growth prospects in conformity with global standards. The Holding is also responsible for updating strategies for its subsidiaries, along the lines of the changing local and global environment, as to ensure their quick adaptations to changing business conditions and help their continuous growth.

21. Risk Management and Internal Audit Mechanism

The Company has established a risk management and internal control unit, under the chairmanship of Hakan Murat Akın. Studies in this regard are carried on under coordination of the Board members Jerome Bayle and Oğuz Satıcı. The Internal Control Department reports directly to the Audit Committee of the Board of Directors.

22. Authorities and Responsibilities of Board Members and Executives

The authorities and responsibilities of the Board of Directors are defined in the Company's Articles of Association in a manner that is consistent with the Board's functions, that does not leave room for any doubt and that is clearly distinguishable and identifiable from the authorities and responsibilities of the General Assembly.

Besides the functions set forth in the Articles of Association, the Board of Directors also fulfills the following functions listed among the functions of the Board of Directors in the Corporate Governance Principles of the Capital Markets Board:

- The Board of Directors continuously and efficiently revises the degree of achievement of the objectives by the Company, activities and past performance of the Company. While revising the same, the Company tries to comply with international standards on any matter. If required, the Board of Directors takes measures without any delay and problem. Effective revision refers to detection of compliance with the applicable laws and regulations and international accounting standards in reflection of the Company's activities, degree of achievement of the objectives by the Company; financial status and activity results in the accounting records and the degree of accuracy of the financial information regarding the Company.
- The Board of Directors establishes a risk management and internal control mechanism, minimizing the risks which may adversely affect the interest holders of the Company particularly the shareholders and the Company may encounter; and takes necessary measures for effective operation of such a system.
- The Board of Directors forms committees in order to fulfill its functions and responsibilities in a sound manner.
- The Board of Directors takes measures and applies incentives to ensure that qualified personnel would serve the Company for a long term. If required, the Board of Directors removes the managers from office without any delay and appoints appropriate and qualified managers in lieu of the removed ones.

- The Board of Directors acts as a leader in elimination and settlement of the disputes which may arise between the Company and the shareholders.
- The Board of Directors shall ensure full compliance with the laws, regulations, and provisions of the Articles of Association, intra-company arrangements and the policies established in exercising the shareholders' rights; and for this purpose, the Board of Directors shall act in close cooperation with the Corporate Governance Committee and Investor Relations Unit established in the body of this committee.

23. Operating Principles of the Board of Directors

Members of the Board of Directors are promptly provided all information they may need to adequately perform their duties. The agendas for the meetings and related documents are delivered by the Board of Director's Secretariat Office no later than three (3) days prior the Board meeting. The Board of Directors meets when it is deemed necessary, and at least once a month. In 2012, the Board of Directors adopted 20 written resolutions. All resolutions have been unanimously adopted. The agenda of the Board meeting is prepared by the Board member in accordance with business and operations of the Company. The members of the Board of Directors are not entitled to weighted votes, all members and the chairperson are entitled to equal votes. During the meetings, the questions posed by Board Members, and detailed and reasonable explanations of any dissident votes are recorded in the meeting minutes.

24. Prohibition on Doing Business or Competing with the Company

As required by corporate governance principles, in the event of any violation of the prohibition on board members' doing business or competing with the Company, the potential conflicts of interest will be publicly disclosed.

25. Code of Ethics

GIH's code of ethics has been formulated and published on the corporate website within the framework of its public disclosure policy. The utmost care is given to ensure that the code of ethics formulated for the Company, its Board members, and its employees is complied with.

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

The Board of Directors of GIH has set up a Corporate Governance Committee and an Audit Committee in line with Capital Markets Board corporate governance principles. The Board members are kept informed regularly on the studies of the Committee. Based on the resolution adopted by the Board of Directors on 26 June 2012, Jerome Bernard Jean Auguste Bayle, Independent member, Ayşegül Bensel, Non-executive Board member, Adnan Nas, Non-executive board member have been elected as members of the Corporate Governance Committee. Based on Board resolution dated 26 June 2012, Oğuz Satıcı, Independent member and Jerome Bernard Jean Auguste Bayle, Independent member, have been elected as members of the Audit Committee. In the year 2012, the Corporate Governance Committee convened five times and the Audit Committee convened four times. Both committees are serving as advisory to the Board and make recommendations. Both committees carry out their operations in line with their charters. The Chairpersons of the committees are non-executive independent Board members. Since all Audit Committee members need to be independent Board members and as committee chairmen need to be chosen from among independent members, the independent member Jerome Bernard Jean Auguste Bayle sits on both committees.

Duties and Working Rules of the Corporate Governance Committee:

1. PURPOSE

To determine whether the corporate governance principles are applied in the Company and

Global Investment Holdings
Corporate Governance Principles Compliance Report

if not to find out the grounds as well as the conflicts of interest resulting from such non-compliance precisely, to carry out improvement actions on that issue and present the same to the Board and supervise the work carried out by the Investor Relations Unit.

2. POWERS AND SCOPE

The Corporate Governance Committee:

a) The field of duty of the Corporate Governance Committee covers the aspects set out by the Capital Market legislation for the Candidate Nomination Committee, Early Risk Assessment Committee, Remuneration Committee and Corporate Governance Committee.

b) To develop the Corporate Governance principles in the Company and ensure their adoption and application.

c) To evaluate the annual Corporate Governance transactions of the Board of Directors and submit the same to the Board.

d) To regulate the operations of the Investor Relations Unit.

e) To offer recommendations on the operation, structure and effectiveness of the Board and the attached committees.

f) To work on developing policies and strategies on the issues of determining and evaluating the appropriate candidates for the Board.

g) To make regular assessments on the structure and effectiveness of the Board members and submit any recommendations on possible changes to made regarding such issues to the Board.

h) To determine the approach, principles and applications regarding the performance assessment and career planning of the Board members and high level managers and supervises them.

i) To provide effective internal control systems in order to identify, evaluate, monitor and manage the risky issues that could affect the achievement of the Company's targets according their influence and possibility.

j) To monitor the integration of the risk management and internal control systems to the institutional structure of the Company and their effectiveness.

k) To work on the issues of measurement, reporting and the utilization of the decision-making mechanisms of the risks by the risk management and internal control systems of the Company keeping the appropriate checks required in view.

l) To review the committee's operations regularly and submit the proposals for changes to the Board for approval as necessary, but the responsibility of final decision always lies with the Board.

m) To determine the recommendation on the remuneration rules for the Board members and high level managers taking the long-term targets of the Company in to account.

n) To set out the criteria to be used for determining the salaries commensurate with the performance of the Company and member.

o) To reviews the committee's operations regularly and submit the proposals for changes to the Board for approval as necessary, but the responsibility of final decision always lies with the Board.

3. STRUCTURE OF THE COMMITTEE

a) The committee is formed in compliance with the Articles of Association of the Company.

b) The committee is comprised of at least two members.

c) The chairperson of the committee is elected out of the independent Board members.

d) If the committee is comprised of two members only, both members and if the committee is comprised of more than two members, the majority of the members are elected out of the individuals, who are not included in the executive staff. The CEO of the Company, General Manager and the Deputy Chairman responsible for Financial Affairs may not serve on the committee

e) When deemed necessary, the committee may seek the opinion of experts in their fields.

f) The committee is re-elected during the first meeting of the Board after the ordinary shareholders assembly meeting each year.

g) The committee convenes with the participation of half the members plus one and the resolutions are adopted upon majority decision.

h) The secretarial work of the committee is performed by the Board secretariat.

4. COMMITTEE MEETINGS AND REPORTING

a) The Corporate Governance Committee meetings are held at least every three months.

b) The resolutions adopted during the committee meetings are transcribed and archived by the Board secretariat

c) The committee informs the Board on the issues falling within its authority and responsibility.

5. RESPONSIBILITIES

a. Compliance with the Corporate Governance Principles

- Ensures the development of the Corporate Governance principles in the Company and their adoption.
- Determines whether the corporate governance principles are applied in the Company and if not finds out the grounds as well as the conflicts of interest resulting from such non-compliance; submits recommendations on improving the foregoing to the Board.
- Examines the complaints received by the Company regarding the shareholders, ensures their resolution and makes sure that any information from the employees on such issues are notified to the Board within the framework of the confidentiality principle.
- Performs other activities requested by the Board, which can be assessed within the scope of corporate governance.

b. Disclosures to the Public

The committee reviews the activity report to be disclosed to the public.

The committee develops the recommendations designed for making sure that the public disclosures and analyst presentations are made in compliance with the "Information Disclosure Policy" of the Company.

c. Investor Relations

The "Investor Relations Unit" is established for monitoring all the relations between the shareholders and investors for making sure that the requirements related to their right of being informed are respected in full.

The Investor Relations Unit;

- Consists of an adequate number of expert personnel.

Global Investment Holdings
Corporate Governance Principles Compliance Report

- Fulfills the requests of the shareholders and investors for information, within the framework of the legislation, Articles of Association, corporate governance principles and the Information Disclosure Policy.

- Organizes periodic investor informational meetings in the country and abroad within the framework of the legislation, Articles of Association, corporate governance principles and the Information Disclosure Policy or attends such meetings organized.

- Carries out the work for ensuring active communications with domestic and foreign investors through the web site.

- Supervises and monitors the process of informing the public in compliance with the relevant legislation.

- Makes sure that the records related to the shareholders are kept in a sound, secure and updated manner.

- Makes sure that the activity reports are prepared as prescribed by the legislation and Capital Markets Board's Corporate Governance Principles.

- Follows up that the General Assembly meetings are convened in compliance with the procedures.

- Ensures the preparation of the documents to be submitted to the shareholders at the General Assembly meetings.

- Ensures the development of the system required for drawing up the meeting minutes in compliance with the procedures.

d. Responsibility of Reporting

- The committee makes sure that the Board is informed on the issues falling within its authority and responsibility.

- The committee transcribes all of its operations and keeps their records.

- The committee compiles its operations in a report and submits to the Board.

e. Nominating Candidates of the Board

- Develops a transparent system for determining the proper candidates for the Board, their assessment, training and remuneration as well as develops policies and strategies regarding those issues.

- Develops recommendations on the numbers of the Board members and managers.

- Forms a candidacy pool for the Board members and keeping the opinion and recommendations of the shareholders regarding the formation.

- Reviews and approves the appointment and promotion philosophy, principles and practices of the Company regularly.

- Determines the candidacy criteria, reviewing the same regularly and recommends the candidates nominated to the Board.

f. Early Risk Assessment

- To identify, measure, analyze, monitor and report the risks faced by the company and issue warnings in order to reduce the controllable and uncontrollable risks.

- To determine the risk management policies in line with the opinion of the Board based on the risk management strategies, to determine the implementation procedures and ensuring their application and compliance with them.

- To participate in the processes of design, selection, implementation and preliminary approval of the risk management models as essential tools for risk management, to review the models regularly and to make the changes required by conducting scenario analyses.

- To request information, opinion and reports from the relevant units where deemed necessary in order to ensure the effective application of the risk monitoring function.

g. Remuneration

- To determine the approach, principles and applications regarding the performance assessment, career planning and remuneration of the Board members and high level managers, to supervise them ensure that such applications are put in to writing.

- To review and approve the remuneration philosophy, principals and practices of the company regularly.

- To ensure the conformity of the rules of remuneration for the Board members and high-level managers of the company with the risk management principles and practices of the company.

- To ensure the conformity of the remuneration policy with the interests of the shareholders.

- To take the measures required for preventing the Board members and high-level managers from setting their own salaries themselves.

Duties and Working Rules of the Audit Committee:

1. PURPOSE

Supervision of the company's accounting system and financial information, their disclosure to the public as well as the supervision of the operation and effectiveness of the internal control system.

2. POWERS AND SCOPE

The Audit Committee;

a) Verifies the accuracy, transparency and compliance of the financial tables, foot notes and financial information with the legislation and the international accounting standards and reports the results to the Board in writing taking the comments of the independent auditing company.

b) Examines the presence of any issues that could damage the independence of the independent auditing company and its employees and its adequacy on behalf of the Board.

c) Supervises the company's accounting system and financial information, their disclosure to the public as well as the operations and effectiveness of the independent auditing company at every stage.

d) Supervises the selection of the independent auditing company, initiation of the independent auditing process by preparing audit agreements and the operations of the independent auditing company at every stage.

e) Investigates the internal and external complaints received in connection with the company's accounting, internal control system and independent audits within the framework the principle of confidentiality and concludes the same.

f) Supervises the compliance with the legal regulations and in-house arrangements.

g) Reviews the committee's operations regularly and submits the proposals for changes to the Board for approval as necessary, but the responsibility of final decision always lies with the Board.

3. STRUCTURE OF THE COMMITTEE

a) The committee is formed in compliance with the articles of association of the company.

b) The committee is comprised of at least two members. Selection of all the members out of the independent members is essential.

Global Investment Holdings
Corporate Governance Principles Compliance Report

c) The CEO of the company, General Manager and the Deputy Chairman responsible for Financial Affairs may not serve in the committee.

d) The persons, who have worked as consultants for the company before, may not be elected as the members of the AUDIT Committee

e) When deemed necessary, the opinion of the experts on the committee issues may be sought.

f) The committee is re-elected during the first meeting of the Board after the ordinary shareholders assembly meeting each year.

g) The committee convenes with the participation of half the members plus one and the resolutions are adopted upon majority decision.

h) The secretarial work of the committee is performed by the Board secretariat.

4. COMMITTEE MEETINGS AND REPORTING

a) The Audit Committee meets at least once a quarter and presents the results of the meeting to the Board.

b) The committee informs the Board on the issues falling within its authority and responsibility.

c) The resolutions adopted during the committee meetings are written down and archived by the Board secretariat.

5. RESPONSIBILITIES

a) Financial Tables and Announcements

- Takes the opinion of the responsible managers of the company and independent auditors regarding the conformity of the financial tables and foot notes to be disclosed to the public to the accounting principles followed by the company as well as their accuracy and reports to the Board in writing, including its own assessments.
- Reviews the activity report to be disclosed to the public and examines the consistency of the information contained therein with the information possessed by the committee.
- Reports the changes in the accounting policies, internal control system and legislation that could affect the preparation of the financial tables of the company to a large extent to the Board.
- Reviews the important accounting and reporting issues and studies their impact on the financial tables.
- Investigates and concludes the complaints received from the shareholders and stakeholders that are important enough to have an impact on the financial tables.
- Reviews the transactions left to the assessment and decision of the management in transferring to the accounting records such as the evaluation of the assets and resources, guarantees and collaterals, performance of the social responsibilities as well as any other obligations and conditional events

b) Independent Auditing Company

- The selection of the independent auditing company, changing the same, initiating the audit process, monitoring and evaluating the activities are carried out under the supervision of the AUDIT Committee.
- The committee examines the audit scope and audit process proposed by the external auditors and informs the Board about the issues that could hinder their work.
- The committee evaluates the independence of the independent auditors' performance.
- The committee makes sure that the important problems found out by the independent auditors as well as the recommendations offered for solving such problems are notified to the committee on time and discussed.
- Examines and approves all types of fees and compensation of the independent audit company.

c) Internal Audit and Internal Checks

- The Audit Committee conducts studies on the effectiveness and adequacy of the internal control system and reports to the Board.
- Makes sure that the measures required for conducting the internal audit transparently are taken.
- The committee reviews the operations of the Internal Audit Unit, its organizational structure and its duties and working principles and informs the Board about any issues that restrict or obstruct the independent auditors' work as well as the efficacy of the activities and makes recommendations.
- The committee makes sure that the problems set out in the audit report of the Internal Audit Unit as well as the recommendations offered for solving such problems are notified to the committee on time, discussed and answered.

d) Compliance with the Regulations Imposed by the Laws

- Monitors whether the company activities are carried out in compliance with the legislation and the company's internal regulations. Sets out the rules to be applied in case of any actions contradictory to the regulations.
- Makes sure that the complaints received in connection with the accounting, internal checks and independent audit are investigated within the framework of the confidentiality principles.

27. Remuneration of the Board of Director

At the General Assembly Meeting held on 10 May 2012, it was resolved that the Members of the Board of Directors be paid a monthly net stipend of TL 6,000 and the Auditor be paid monthly net salary of TL 3,000. The Remuneration Policy for senior executives and the attendance fee of Board Members were published on the web site. During the year 2012, the Company did not lend money or extend credit to any Board Member or senior executives, except those indicated in the consolidated financial statements.

DECLARATION OF RESPONSIBILITY

Of the Board Resolution on the Approval of Financial Statements

Date: 5 April 2013

Number: 811

STATEMENT OF RESPONSIBILITY
PURSUANT ARTICLE 9, PART THREE OF THE COMMUNIQUÉ SERIES: I, NUMBER 29

a) We have examined the Company's consolidated financial statements for the period between 1 January and 31 December 2012.

b) According to the information we obtained within the scope of our duty and responsibility, the report does not contain any misstatement on material events or any deficiency which might be misleading as of the date of our statement.

c) According to the information we obtained within the scope of our duty and responsibility, we hereby declare that the financial statements, prepared in accordance with the financial reporting standards in force, as of the period concerned, present correctly and fairly the actual situation of our Company as regards to its assets, liabilities, financial position and profit/loss and that the annual report present correctly and fairly the development and performance of business, the Company's financial position, the Company's financial situation together with the important risks and uncertainties it is exposed to and the truth regarding the results of its operations.

Sincerely,
GLOBAL YATIRIM HOLDİNGS A.Ş.

Kerem ESER	**Serdar KIRMAZ**
Finance Director	Executive Board Member

DECLARATION OF INDEPENDENCY

I hereby declare that during my office term at Global Yatırım Holdings A.Ş.

- I have not served as a Board Member for a period longer than six years,
- no employment, capital or significant commercial relationship between the Company, any of the related parties or legal persons with whom the shareholders controlling, directly or indirectly, 5% or more of the Company's capital have relations in terms of management or capital, and myself, my spouse and my relatives by blood and by marriage up to third degree has been established, directly or indirectly, during the last five years,
- during last five years, I was not employed and did not serve as a Board Member at companies who conduct the Company's operations and organisation, completely or partially, pursuant the agreements signed, particularly the companies carrying out the auditing, rating and consulting services for the Company,
- during last five years, I did not serve as partner, employee or Board Member at any of the companies providing goods and services to the Company at a considerable extent,
- if I am a shareholder of the Company by virtue of my position as a Board member, my participation rate is less than 1% and there is no privilege rights in such shares,
- I have acquired professional training, knowledge and experience required to perform the tasks I will take as an Independent Board Member,
- I am not serving on full-time basis at public institutions and establishments, as of the date of my nomination and during my office term, upon my appointment,
- as per the Income Tax Law, I am considered to be settled in Turkey,
- I possess strong ethical standards, professional reputation and experience to make positive contribution to the Company's operations, to maintain objectivity during conflict of interest that will arise between Company shareholders and to be able to decide freely taking into account the stakeholders' benefits;

and consequently I will perform my duties, being a Board Member, as an Independent Board Member.

Jerome Bayle
Independent Board Member

Oğuz Satıcı
Independent Board Member

THE GLOBAL INVESTMENT HOLDINGS GROUP INTERNAL CONTROLS: RATIONALIZATION

During 2012, the Global Investment Holdings continued to follow Group-wide risk management and internal control policies. The previously applied corporate codes of conduct were systematically followed, including the internet usage restrictions, proprietary trading limits and guidelines and management reporting systems. An organization - wide company assets security awareness initiative, that included information and information systems, was provided.

Furthermore, The current internal control system, particularly increasing the efficiency and productivity of Group operations, maintaining reliability in financial reporting and compliance with the law and legislation, is being audited by the Internal Audit Team in accordance with the annual internal audit plan, and the outcome of the audit findings are reported to the Board of Directors. Those risks that prove to be crucial within the framework of corporate risk management in the aforementioned annual internal audit plan are prioritized.

At the request of the Board, the Internal Audit Team has coordinated and performed different audit engagements in 2012 in order to detect potential risks within the Group companies and Head Office Departments as well. The Internal Audit team has taken the necessary measures both at the holding level and at the individual company level to implement efficient risk management tools through its internal audit technical implementations. The Team is going to accomplish a broad range of internal audit assignments during 2013 according to the annual audit plan.

During 2012, the Group continued to follow Group-Wide Risk Management and internal control policies.

FINANCIAL OVERVIEW

Global Investment Holdings' revenues for 2012 were TL 328.4 million compared to TL 364.2 million last year, representing a decrease of TL 35.8 million. The decrease was attributable to Energaz, the company which was divested in July 2012 and hence, contributing to 2012 revenues for only seven months (vs. full year in 2011). Excluding Energaz revenues, 2012 revenues were TL 175.9 million compared to TL 150.2 million in 2011, representing a 17% increase.

On the profit line, the Company reported net profit of TL 108.1 million in 2012, compared to a loss of TL 82.0 million in 2011. The Group's consolidated EBITDA reached TL 213.6 million, representing a 149% increase compared to the same period in 2011. TL 150.2 million gains from sale of the Group's share in the regional natural gas distribution business were instrumental in the bottom line. The appreciation in the value of TL against USD resulted in net foreign exchange gains of TL 13.8 million in 2012 (compared to TL 42.7 million foreign exchange losses in 2011). TL 48.3 million of depreciation and amortization charges costs as well as TL 46.5 million provision expense incurred from the Başkentgaz tender limited otherwise a higher profit.

On a divisional basis, the Group's Port Division revenues reached TL 122.4 million in 2012, representing a 13% increase over the previous year. Commercial port revenues increased by 21% due to higher cargo handling and more favorable FX rates. Total containers handled in Port Akdeniz Antalya increased by 10% in 2012, compared to the previous year, reaching 186,463 TEU. The increase was due to continuing strong demand for exported goods from China. On the general cargo & bulk side, there was a slight decrease in total cargo volume, mainly due to political instability in Northern African nations. Cruise revenues were more or less at par with the same period last year. Total number of passenger arrivals in Ege Ports Kuşadası was 564,555, representing a decrease of 15%. The main reason of this decrease was the financial difficulties of several Greek-operated cruise lines leading to reduction in vessel size and cancellation of some calls. Bodrum Cruise Port, however, enjoyed increased traffic in 2012, where total ship calls and total number of passenger arrivals increased by 14% and 20%, respectively. The division recorded an EBITDA of TL 80.2 million, compared to TL 64.8 million. Energy division reported revenues of TL 162.0 million in 2012, compared to TL 217.2 million in 2011. In July 2012, the Group divested its 50% interest in the regional gas distribution assets (EIH) for a total consideration of USD 75.0 million. The business was contributing negatively to the consolidated profits and the cash flow, due to low gas margins, high investment requirements and the accounting policies applied. The Group recorded a gain of TL 150.2 million from this sale as per consolidated financials prepared in accordance with the CMB regulations. Excluding

FINANCIAL OVERVIEW

EIH, Energy division revenues were TL 9.6 million in 2012 compared to TL 3.2 million last year. Following the divestiture of EIH, Energy division revenues currently includes only compressed natural gas sales by Naturelgaz. The Group, through its subsidiary Global Enerji, has entered into share purchase agreements with STFA and Goldenberg family, to acquire their interest in Naturelgaz of 25% and 30%, respectively. As of 18 January 2013, share transfers have been completed and the Group's interest in Naturelgaz has increased from 25% to 80%. Naturelgaz generated revenues of TL 39.2 million in 2012 on a solo basis, with 25% (TL 9.6 million) corresponding to the Group's share. The income statement of Naturelgaz was only 25% consolidated until 31 December 2012, whereas its balance sheet was 55% consolidated on a proportional basis (will be fully consolidated starting from 1 January 2013). Following the acquisition of Naturelgaz shares by the Group in May 2011, investments were made to expand the gas station network and storage infrastructure. Total number of stations as of 31 December 2012 has reached 8, and gas sales totaled 29.7 million m3. Energy Division reported an EBITDA of TL 7.4 million, compared to TL 1.0 million in 2011.

The Group's consolidated financial indebtedness has improved significantly with consolidated gross financial debt decreasing by 41%, from TL 447.7 million in 2011 to TL 294.9 million as of 31 December 2012, following the successful portfolio restructuring and the Eurobond redemption in 2012. GIH has fully redeemed its Eurobonds (ISIN XS0312972903) issued in July 2007 by a foreign-based bank with an initial nominal value of USD 100,000,000, and a coupon rate of 9.25%.

DISCLAIMER

The projects and activities described in this Annual Report are undertaken through a number of different companies ("Affiliates") affiliated with Global Investment Holdings A.Ş. (the "Global Investment 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 2012. 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 US 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 US 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 Istanbul, Turkey. The registered headquarters of the Company are Rıhtım Caddesi No: 51, Karaköy 34425, Istanbul, Turkey. Global Investment Holdings is subject to regulation by the Turkish Capital Markets Board ("CMB") and the Borsa Istanbul. Other Group companies are subject to the regulations of the capital markets or other regulatory authorities having jurisdiction over them.


GLOBAL

Global Yatırım Holding Anonim Şirketi and its Subsidiaries

Convenience Translation into English of Consolidated Financial Statements as at and for the Year Ended 31 December 2012 With Independent Auditors' Report Thereon

Akis Bağımsız Denetim ve Serbest Muhasebeci
Mali Müşavirlik Anonim Şirketi
5 April 2013
This report includes 2 pages of independent auditors' report and 120 pages of consolidated financial statements together with their explanatory notes.

Global Yatırım Holding Anonim Şirketi and its Subsidiaries

Table of Contents

Convenience Translation of the Independent Auditors' Report as at 31 December 2012
Originally prepared and issued in Turkish (Note 2.1)

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 (together will be referred to as "the Group") as at 31 December 2012 and the related consolidated statements of comprehensive income, changes in 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 financial reporting standards issued by the Capital Markets Board of Turkey. 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 Turkey. 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.

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 balance sheet of the Global Yatırım Holding A.Ş., its subsidiaries and joint ventures as at 31 December 2012, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the financial reporting standards issued by the Capital Markets Board of Turkey (Note 2).

Emphasis of Matter

Without qualifying our opinion, we draw your attention to Note 20.2 to the consolidated financial statements about the following litigation matters:

As explained in detail in Note 20.2, on 26 February 2013 the court case which continues at the date of reporting period between Ankara Metropolitan Municipality ("the Municipality") and Joint Venture Group ("JVG"), comprising the Company, regarding the cancellation of the injunction of liquidation of Letter of Guarantee amounting to USD 50 million given by the Group in favor of Municipality in accordance with the specifications of the privatization tender of Başkent Doğalgaz Dağıtım A.Ş. by the method of block sale, has been resulted against the JVG. The Group accounted its obligations arising from the decision of the court of first instance in the accompanying consolidated financial statements. The file will be appealed by the Group management as soon as the reasoned decision of the court is complete.

As explained in detail in Note 20.2, the Water Utilization Rights Agreement which should had been signed between a subsidiary of the Group engaged in hydroelectric power plant investments and the General Directorate of State Water Works ("DSİ") has not been put in signature due to the cancellation of the project by DSİ. The Group lawyers have filed a lawsuit at the 16th Administrative Court of Ankara to cancel the decision given by DSİ which was further rejected by the Court. The Group lawyers appealed the verdict of the decision at the Council of State and requested an injunction. The lawsuit is pending before the Council of State. As at the date that the consolidated financial statements were authorized for use, the litigation above includes uncertainty regarding the ultimate outcome of the resolution. The Group management, based on the consultation of the Group attorneys, has not provided any provision with respect to the aforementioned litigation matter in the accompanying consolidated financial statements.

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 of the Group in accordance with the accounting principles and practices generally accepted in countries and jurisdictions other than Turkey and International Financial Reporting Standards.

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

Ruşen Fikret Selamet
Partner

İstanbul, 5 April 2013

GLOBAL YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2012

TABLE OF CONTENTS PAGES

Global Yatırım Holding A.Ş. and its Subsidiaries
Consolidated Balance Sheet
as at 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	Notes	Audited 31 December 2012	Audited 31 December 2011
ASSETS			
Current assets		**312.447.838**	**295.045.062**
Cash and cash equivalents	6	49.079.630	63.279.456
Investments	7	9.738.924	13.450.794
Trade receivables		15.132.390	17.131.339
- Other trade receivables	*10*	*15.132.390*	*17.131.339*
Other receivables		113.864.239	72.687.539
- Due from related parties	*33*	*33.820.418*	*65.863.642*
- Other receivables	*11*	*80.043.821*	*6.823.897*
Receivables from operations in finance sector		63.213.340	42.699.179
- Due from related parties	*33*	*10.981.046*	*9.950.898*
- Other receivables	*12*	*52.232.294*	*32.748.281*
Inventories	13	27.923.099	29.947.204
Other current assets	23	32.633.465	54.337.684
(Subtotal)		*311.585.087*	*293.533.195*
Assets classified as held for sale	36	862.751	1.511.867
Non-current assets		**1.054.455.090**	**1.234.165.998**
Other receivables		12.588.300	13.753.322
- Due from related parties	*33*	*5.029.659*	*5.029.659*
- Other receivables	*11*	*7.558.641*	*8.723.663*
Receivables from operations in finance sector	12	-	1.888.900
Investments	7	3.083.737	6.961.233
Investment in associates	14	1.211.672	-
Investment property	15	197.915.245	195.879.480
Property, plant and equipment, net	16	146.054.895	132.861.779
Concession intangible assets, net	17	-	156.187.038
Intangible assets, net	18	592.776.761	625.683.367
Goodwill	19	41.243.581	42.610.644
Deferred tax assets	31	28.332.356	25.727.030
Other non-current assets	23	31.248.543	32.613.205
TOTAL ASSETS		**1.366.902.928**	**1.529.211.060**

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 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	Notes	Audited 31 December 2012	Audited 31 December 2011
LIABILITIES			
Current liabilities		**322.628.830**	**417.335.724**
Financial liabilities	8	114.132.126	243.225.250
Trade payables		12.887.457	60.891.701
- Other trade payables	*10*	*12.887.457*	*60.891.701*
Other payables		48.297.527	62.151.426
- Due to related parties	*33*	*166.748*	*804.497*
- Other payables	*11*	*48.130.779*	*61.346.929*
Liabilities due to operations in finance sector		49.260.566	24.257.054
- Due to related parties	*33*	*20.910*	*96.120*
- Other payables	*12*	*49.239.656*	*24.160.934*
Other financial liabilities	9	47.835	2.062.711
Income tax payable	31	3.502.554	2.571.160
Provisions	20	92.066.934	5.164.239
Other current liabilities	23	2.433.831	16.811.515
(Subtotal)		*322.628.830*	*417.135.056*
Liabilities directly associated with assets held for sale	*36*	*-*	*200.668*
Non-current liabilities		**306.942.638**	**436.888.809**
Financial liabilities	8	180.805.790	202.356.523
Trade payables		298.898	-
- Other trade payables	*10*	*298.898*	*-*
Other payables		1.004.929	52.362.552
- Due to related parties	*33*	*16.220*	*636.177*
- Other payables	*11*	*988.709*	*51.726.375*
Provision for employee termination indemnity	22	3.009.236	2.455.339
Deferred tax liabilities	31	121.448.701	127.287.607
Other non-current liabilities	23	375.084	52.426.788
EQUITY		**737.331.460**	**674.986.527**
Total equity attributable to equity holders of the company		**516.924.660**	**435.291.408**
Paid-in capital	24	225.003.687	225.003.687
Inflation adjustment on capital	24	34.659.630	34.659.630
Treasury shares	24	(70.020.872)	(72.751.722)
Share premium	24	4.893.906	4.966.894
Revaluation reserve	24	613.745	407.034
Currency translation differences	24	41.798.476	68.992.970
Restricted reserves	24	86.393.932	77.568.827
Special fund	24	14.497.128	14.357.900
Retained earnings	24	71.010.400	164.040.947
Net profit/(loss) for the period		108.074.628	(81.954.759)
Non-controlling interests	24	**220.406.800**	**239.695.119**
TOTAL EQUITY AND LIABILITIES		**1.366.902.928**	**1.529.211.060**

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 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	Notes	Audited 1 January– 31 December 2012	Audited 1 January– 31 December 2011
Sales	25	305.199.073	334.525.630
Cost of sales (–)	25	(248.232.204)	(285.809.445)
Gross profit from trade operations		**56.966.869**	**48.716.185**
Interest, fee, premium, commission and other income	25	23.211.103	29.708.323
Interest, fee, premium, commission and other expense (–)	25	(4.014.076)	(4.492.869)
Gross profit from operations in finance sector		**19.197.027**	**25.215.454**
GROSS PROFIT		**76.163.896**	**73.931.639**
Selling, marketing and distribution expenses (–)	26	(5.955.664)	(6.209.373)
General administrative expenses (–)	26	(77.767.396)	(88.591.413)
Other operating income	28	174.508.173	18.776.466
Other operating expenses (–)	28	(2.746.107)	(7.888.612)
OPERATING PROFIT/(LOSS)		**164.202.902**	**(9.981.293)**
Share of profit/(loss) of equity accounted investees	14	(630.576)	-
Finance income	29	63.833.813	56.906.476
Finance expenses (–)	30	(124.875.189)	(140.029.188)
PROFIT/(LOSS) BEFORE TAX		**102.530.950**	**(93.104.005)**
Income tax credit /(expense)		**14.143.587**	**7.998.777**
– Current tax benefit/(expense)	31	(10.354.451)	(11.059.398)
– Deferred tax benefit /(expense)	31	24.498.038	19.058.175
NET OPERATING PROFIT/(LOSS) FOR THE PERIOD		**116.674.537**	**(85.105.228)**
Net profit/(loss) from discontinued operations	36	–	–
NET PROFIT/(LOSS) FOR THE PERIOD		**116.674.537**	**(85.105.228)**
Other comprehensive income			
Change in revaluation reserve of financial assets		(3.094)	(355.709)
Change in currency translation differences		(35.736.953)	88.044.810
Income tax relating to revaluation reserve of financial assets		619	71.142
OTHER COMPREHENSIVE INCOME (AFTER TAX)		**(35.739.428)**	**87.760.243**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**80.935.109**	**2.655.015**
Profit/(Loss) attributable to		**116.674.537**	**(85.105.228)**
Non-controlling interests		8.599.909	(3.150.469)
Owners of the Company	32	108.074.628	(81.954.759)
Total comprehensive income attributable to		**80.935.109**	**2.655.015**
Non-controlling interests		59.571	16.152.189
Owners of the company		80.875.538	(13.497.174)
Basic and diluted earnings per share	32	**0,6569**	**(0,5067)**
Basic and diluted earnings per share from continuing operations	32	**0,6569**	**(0,5067)**

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

Global Yatırım Holding A.Ş. and its Subsidiaries

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2012

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

	Paid in Capital	Inflation Adjustment on Capital	Treasury Shares	Share Premium	Revaluation Reserve	Currency Translation Differences	Restricted Reserves	Special Fund	Net Profit/ (Loss) For the Period	Retained Earnings/ Accumulated Losses	Equity Attributable to the Owners of the Company	Non-Controlling Interest	Total
Balance at 1 January 2011	**225.003.687**	**34.659.630**	**(1.820.000)**	**174.513**	**813.086**	**7.953.450**	**75.764.360**	**-**	**209.459.743**	**(39.812.647)**	**512.195.822**	**119.081.176**	**631.276.998**
Total comprehensive income													
Change in revaluation reserve, net of deferred tax	-	-	-	-	(284.567)	-	-	-	-	-	(284.567)	-	(284.567)
Foreign currency translation differences	-	-	-	-	-	68.742.152	-	-	-	-	68.742.152	19.302.658	88.044.810
Net profit/loss for the period	-	-	-	-	-	-	-	-	(81.954.759)	-	(81.954.759)	(3.150.469)	(85.105.228)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(284.567)**	**68.742.152**	**-**	**-**	**(81.954.759)**	**-**	**(13.497.174)**	**16.152.189**	**2.655.015**
Transactions with owners of the Company, recognized directly in equity													
Own shares acquired and sold	-	-	(70.931.722)	-	-	-	-	-	-	2.999.249	(67.932.473)	188.419	(67.744.054)
Transfer	-	-	-	-	-	-	3.123.796	-	(209.459.743)	206.335.947	-		-
Sale of shares of a subsidiary in the infrastructure segment without loss of control	-	-	-	-	-	(7.736.908)	(1.526.231)	-	-	31.000.080	(21.736.941)	87.966.888	109.703.829
Purchase by a joint venture in the energy segment of the shares in a subsidiary without change in control	-	-	-	-	-	-	156.193	-	-	(33.966.014)	(33.809.821)	11.538.159	(22.271.662)
Initial public offer and sale of shares in a subsidiary in the finance segment without loss of control	-	-	-	4.790.196	(121.485)	34.276	(137.669)	-	-	(1.158.750)	(3.406.568)	11.804.616	15.211.184
Sale and purchase of shares and capital decrease and increase of a subsidiary in the real estate segment without loss of control	-	-	-	2.185			186.292	14.357.900	-	(1.074.424)	(13.471.953)	(6.494.422)	6.977.531
Dividend distribution of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(1.594.839)	(1.594.839)
Changes in ownership interest and capital increases of other subsidiaries that do not result in a loss of control	-	-	-	-	-	-	2.086	-	-	(282.494)	280.408	1.052.933	772.525
Balance at (31 December 2011)	**225.003.687**	**34.659.630**	**(72.751.722)**	**4.966.894**	**407.034**	**68.992.970**	**77.568.827**	**14.357.900**	**(81.954.759)**	**164.040.947**	**435.291.408**	**239.695.119**	**674.986.527**
Balance at 1 January 2012	**225.003.687**	**34.659.630**	**(72.751.722)**	**4.966.894**	**407.034**	**68.992.970**	**77.568.827**	**14.357.900**	**(81.954.759)**	**164.040.947**	**435.291.408**	**239.695.119**	**674.986.527**
Total comprehensive income													
Change in revaluation reserve, net of deferred tax	-	-	-	-	(2.475)	-	-	-	-	-	(2.475)	-	(2.475)
Foreign currency translation differences	-	-	-	-	-	(27.196.615)	-	-	-	-	(27.196.615)	(8.540.338)	(35.736.953)
Net profit/loss for the period	-	-	-	-	-	-	-	-	108.074.628	-	108.074.628	8.599.909	116.674.537
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(2.475)**	**(27.196.615)**	**-**	**-**	**108.074.628**	**-**	**80.875.538**	**59.571**	**80.935.109**
Transactions with owners of the Company, recognized directly in equity													
Own shares acquired and sold	-	-	2.730.850	-	-	-	-	-	-	785.913	3.516.763	(9.933)	3.506.830
Transfer	-	-	-	-	-	-	9.333.621	-	81.954.759	(91.288.380)	-	-	-
Purchase and sale of a joint venture	-	-	-	-	-	-	(334.921)	-	-	(2.496.727)	(2.831.648)	1.186.085	(1.645.563)
Sale of subsidiary	-	-	-	-	(715)	-	(147.902)	-	-	148.617	-	(2.255)	(2.255)
Dividend distribution of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(17.879.990)	(17.879.990)
Changes in ownership interest in subsidiaries and joint ventures	-	-	-	(72.988)	209.901	2.121	(25.693)	139.228	-	(179.970)	72.599	(2.641.797)	(2.569.198)
Balance at (31 December 2012)	**225.003.687**	**34.659.630**	**(70.020.872)**	**4.893.906**	**613.745**	**41.798.476**	**86.393.932**	**14.497.128**	**108.074.628**	**71.010.400**	**516.924.660**	**220.406.800**	**737.331.460**

The detailed explanations related to the equity items and movements are presented in Note 24.

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 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	Notes	Audited 1 January– 31 December 2012	Audited 1 January– 31 December 2011
Cash flows from operating activities			
Net profit/(loss)		116.674.537	(85.105.228)
Adjustment to reconcile net profit/ (loss) before tax and net cash provided by operating activities			
Depreciation and amortization expense	27	48.298.389	47.168.277
Tax (income)/expense	31	(14.143.587)	(7.998.777)
Bargain purchase gain and gain from previously-held interest	28	(12.807.961)	(5.446.718)
Change in provision for employee termination indemnities	22	912.368	1.018.658
Gain/loss on valuation of investment property	28	(4.467.095)	(4.009.234)
Real estate sales gain/loss	28	(49.505)	(68.547)
Net gain from sale of tangible assets	28	(113.150)	(23.045)
Change in fair value of derivatives	29,30	(877.131)	1.400.002
Interest income from operations in finance sector	25	(7.904.215)	(7.839.279)
Foreign exchange (gain)/loss on bank borrowings		(6.457.085)	41.577.149
Debt provisions		44.537.367	1.340.586
Interest income from non-financial activities	29	(6.788.810)	(7.577.417)
Interest charges from loans extended to customers	25	2.959.437	1.628.295
Dividend income	28	(933.483)	(709.156)
Letter of guarantee commissions and other financial expenses	30	7.072.365	14.122.844
Interest expense from non-financial activities	30	30.000.077	29.686.188
Overdue interest expenses to suppliers	30	1.206.179	2.582.821
Gain on sale of joint venture	28	(150.185.136)	(6.814.015)
Gain on sale of subsidiary	28	(1.745.775)	-
Gain on sale of associates	28	(1.546.042)	-
Change in allowance of doubtful receivables	26	1.025.024	2.247.027
Operating cash flow before changes in operating assets and liabilities		**44.666.768**	**17.180.431**
Taxes paid	31	(9.932.992)	(10.718.442)
Interest received from financial sector activities		7.904.215	7.839.279
Interest paid related to loans extended to customers		(2.959.437)	(1.628.295)
Dividend received		933.483	709.156
Employement termination indemnity paid	22	(96.485)	(478.329)
Change in trade receivables from operations in finance and non-finance sectors		(23.298.782)	4.674.363
Change in due from and due to related parties (trade and finance sector operations)		(969.495)	1.571.159
Change in other receivables		(809.125)	(1.690.287)
Change in other current assets		11.251.935	(20.845.048)
Change in other non current assets		194.162	(4.552.878)
Change in inventories		4.708.940	(9.262.470)
Change in trade payables due to operations in finance and non-finance sectors		(12.594.496)	9.906.547
Change in other payables		24.770.169	24.565.741
Change in other current liabilities		(2.958.091)	3.860.746
Change in other non-current liabilities		4.297.834	10.549.827
Net cash from operating activities		**45.108.603**	**31.681.500**
Investing activities			
Addition to investment property	15	(559.073)	(2.928.964)
Proceeds from sale of real estates, net		-	3.400.000
Change in restricted bank balances	6	(8.868.366)	956.991
Acquisition of property, plant and equipment	16	(16.673.954)	(29.670.881)
Acquisition of concession intangible assets	17	(12.716.077)	(26.399.108)
Acquisition of intangible assets	18	(147.425)	(554.905)
Sale of shares of a subsidiary in the infrastructure segment without loss of control	24	-	132.429.689
Purchase by a joint venture in the energy segment of the shares in a subsidiary without change in control	24	-	(22.271.662)
Initial public offer and purchase and sale of shares in a subsidiary in the finance segment without loss of control		1.148.079	15.428.818
Sale and purchase of shares and capital decrease and increase of a subsidiary in the real estate segment		-	6.929.237
Purchase of shares of joint venture		(174.400)	-
Change in financial investments		8.211.855	3.615.471
Changes in ownership interest and capital increases of other subsidiaries		-	772.523
Cash paid for purchase of subsidiary		-	(349.515)
Proceeds from sale of joint venture, net	36	101.024.350	-
Advances paid for investments		367.007	-
Cash paid for purchase of joint venture, net	3	(5.216.345)	(8.435.733)
Interest received from non-financial activities		6.132.382	7.593.048
Proceeds from sale of property, plant and equipment and intangible assets		3.394.267	384.738
Net cash from/(used in) investing activities		**75.922.300**	**80.899.747**
Financing activities			
Interest paid for financing		(35.047.491)	(29.812.436)
Overdue interest paid to suppliers		(1.206.179)	(2.582.821)
Change in acquired of treasury shares		3.497.800	(67.572.764)
Cash paid for letter of guarantee commisions and other financing		(5.788.886)	(5.074.602)
Dividend distribution of subsidiary		(17.879.990)	(1.594.839)
Change in other receivables and payables from and to related parties and other shareholders		2.941.843	(14.077.372)
Proceeds from borrowings		141.808.211	73.674.178
Repayments of borrowings		(216.471.582)	(63.104.044)
Net cash used in financing activities		**(128.146.274)**	**(110.144.700)**
Effect of foreign exchange rate fluctuation on cash and cash equivalents		(15.952.821)	5.191.936
Net increase/(decrease) in cash and cash equivalents		**(23.068.192)**	**7.628.483**
Transfer to assets held for sale		-	**(279.531)**
Cash and cash equivalents at 1 January	6	**59.185.879**	**51.836.927**
Cash and cash equivalents at 31 December	6	**36.117.687**	**59.185.879**

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

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

1 ORGANIZATION AND NATURE OF BUSINESS

Global Yatırım Holding A.Ş. ("Global Yatırım Holding", "Global Holding", "GYH" or "the Company") was established in 1990 with the trade name Global Menkul Değerler A.Ş. as a brokerage company in İstanbul, Turkey. On 6 October 2004, the Company changed its trade name to Global Yatırım Holding A.Ş and its field of activity to restructured itself as a holding company. As part of its restructuring, on 2 October 2004, a new company, named Global Menkul Değerler A.Ş. was established by through a partial de-merger in accordance withunder Turkish legislation law and 99,99% of its shares were owned by the Company. All of the Company's brokerage activities were transferred to this new company. The main operation of the Company's primary purpose is to participate invest in the capital and participate in the management of companies that operate or will operate in the fields of financial services, energy, infrastructure and real estate development sectors, and to minimize the volatility of its investments against economic fluctuations by handling managing the capital expenditure, financing, organization and administration of those its investment companies within portfolio, while contributing to such companies the achievingement of sustainable growth and ensuring the going concern of those such companies to the benefit of the national economy, and to engage in commercial, industrial and financial activities in line with these goals.

Global Yatırım Holding, its subsidiaries, its joint ventures and its associates are together referred to as "the Group". As at 31 December 2012, the number of employees of the Group is 630 (31 December 2011: 1.002).

The Group is registered with the Capital Market Board ("CMB") and its shares have been traded on the İstanbul Stock Exchange ("ISE") since May 1995 (from May 1995 to 1 October 2004, the company traded as "Global Menkul Değerler A.Ş.").

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

99,99% of the shares of the Company are listed on the ISE.

The Company's shareholding structure is presented in Note 24.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

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) (1)	Turkey	Brokerage
Global Portföy Yönetimi A.Ş. (Global Portföy) (2)	Turkey	Portfolio Management
Global Financial Products Ltd. (GFP)	Cayman Islands	Financial Investments
Global Sigorta Aracılık Hizmetleri A.Ş. (Global Sigorta)	Turkey	Insurance Agency
Global Liman İşletmeleri A.Ş. (Global Liman)	Turkey	Infrastructure
Ege Global Madencilik San. ve Tic. A.Ş. (Ege Global)	Turkey	Mining Investments
Mavi Bayrak Tehlikeli Atık İmha Sistemleri San. ve Tic. A.Ş. (Mavi Bayrak)	Turkey	Waste Disposal Systems
Salıpazarı İnşaat Taahhüt Bina Yönetim ve Servis Hizmetleri Sanayi ve Ticaret A.Ş. (Salıpazarı) (3)	Turkey	Construction Investments
Güney Madencilik İşletmeleri A.Ş. (Güney)	Turkey	Mining
Neptune Denizcilik Yatırımları ve İşletmeciliği A.Ş (Neptune) (4).	Turkey	Maritime Investments
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
Osmanlı Enerji A.Ş. (Osmanlı) (5)	Turkey	Electricity Generation
Dağören Enerji A.Ş. (Dağören) (6)	Turkey	Electricity Generation
Global Securities (USA) Inc. (7) (17)	USA	Brokerage
CJSC Global Securities Kazakhstan (7) (17)	Kazakhstan	Brokerage
Ege Liman İşletmeleri A.Ş. (Ege Liman) (8)	Turkey	Port Operation
Bodrum Yolcu Limanı İşletmeleri A.Ş. (Bodrum Liman) (8)	Turkey	Port Operation
Ortadoğu Antalya Liman İşletmeleri A.Ş. (Ortadoğu Liman) (8)	Turkey	Port Operation
İzmir Liman İşletmeciliği A.Ş (İzmir Liman) (9)	Turkey	Port Operation
Sem Yayıncılık A.Ş. (Sem) (10)	Turkey	Publishing
Maya Turizm Ltd. (Maya Turizm) (11)	Cyprus	Tourism Investments
Galata Enerji Üretim San. ve Tic. A.Ş. (Galata Enerji) (12)	Turkey	Electricity Generation
Doğal Enerji Hizmetleri ve İşletmeciliği A.Ş. (Doğal Enerji)	Turkey	Electricity Generation
Global Depolama A.Ş. (8)	Turkey	Storage
Torba İnşaat ve Turistik A.Ş. (Torba) (13)	Turkey	Real Estate Investments
GES Enerji A.Ş.	Turkey	Electricity Generation
Sümerpark Gıda İşletmeciliği A.Ş. (14)	Turkey	Food Management
Randa Denizcilik San. ve Tic. Ltd. Şti. (Randa) (15)	Turkey	Marine Vehicle Trade
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş. (Ra Güneş) (16)	Turkey	Electricity Generation
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş (Tres Enerji).(18)	Turkey	Energy Generation
Ra Doğu Maden	Turkey	Mining
Adonia Shipping Limited	Malta	Ship Management

(1) In 2011 as a result of the sale of its shares through an initial public offering and direct sale and subsequent purchase of some of its publicly traded shares the Group's effective ownership rate in this company decreased to 76,85% as at 31 December 2011 and 75,67 % as at 31 December 2012.

(2) This company's assets and liabilities were classified as held for sale as at 31 December 2011. As at 28 February 2012, this company has been classified from a subsidiary to an equity accounted investees as a result of the transfer of 60% of the shares to AZ International Holdings SA based on Luxembourg , a subsidiary of Azimut (Note 14 and Note 36).

(3) This company's corporate name was changed to Salıpazarı İnşaat Taahhüt Bina Yönetim ve Servis Hizmetleri Sanayi ve Ticaret A.Ş. in 25 May 2012. The company's core business was changed to "construction services, commitment services, real estate brokerage, real estate management, cleaning and security services".

(4) This company's corporate name was changed to Neptune Denizcilik Yatırımları ve İşletmeciliği A.Ş. in 16 July 2012. The company's core business was changed from mining investments to maritime investments and management.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(5) This company 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 and it has been repurchased from Yeşil Enerji on 2 June 2010. This company merged with Ges Enerji A.Ş. through acquisition method as at 28 December 2011.
(6) This company is consolidated to Global Enerji
(7) These companies are consolidated to Global Menkul.
(8) These companies are consolidated to Global Liman.
(9) This company is consolidated to Global Yatırım Holding and Global Liman. The acquisition of the shares of this company from the other shareholders was completed on 29 June 2011.
(10) This company is consolidated to Tora.
(11) This company is proportionally consolidated to Pera and Vespa.
(12) This company was consolidated to Ege Global, after the transfer of shares of the company from Ege Global to Global Enerji, the company has started to be consolidated to Global Enerji from the date on 1 November 2011.
(13) This company has not been consolidated as of 4 January 2008 due to assignment of the Group's shares in the company to a trustee and the resulting loss of control.
(14) This company's corporate name was changed firstly to "Sağlam Enerji Yatırımları A.Ş." in April 2011 and then to "Sümerpark Gıda İşletmeciliği A.Ş." in May 2011. The company's core business was changed from energy investments to food management.
(15) This company was purchased by Global Liman, a subsidiary of the Group, on 17 February 2011 for a price amounting to Euro 10.000. This company is inactive and its financial statements are immaterial in the consolidated financial statements, so as at 31 December 2012 it is excluded from the scope of consolidation (Note 2.1.d.iii).
(16) This company was established in 21 May 2012 and consolidated to Global Enerji. As at the balance sheet date, it is excluded from the scope of consolidation since its finanacial statements are immaterial in the consolidated financial statements (Note 2.1.d.iii).
(17) The Group has resolved to liquidate these companies.
(18) This company was established in 27 November 2012 and consolidated to Global Enerji. As at the balance sheet date, it is excluded from the scope of consolidation since its finanacial statements are immaterial in the consolidated financial statements (Note 2.1.d.iii).

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. (Enerji Yatırım Holding or EYH) (1)	Turkey	Energy Investments
Energaz Gaz Elektrik Su Dağıtım A.Ş. (Energaz) (2) (1)	Turkey	Gas, Water, Elec. Investments
Gaznet Şehir Doğalgaz Dağıtım A.Ş. (Gaznet) (3) (1)	Turkey	Natural Gas Distribution
Çorum Doğalgaz Dağıtım ve Sanayi Ticaret A.Ş. (3) (1)	Turkey	Natural Gas Distribution
Netgaz Şehir Doğalgaz Dağıtım A.Ş. (3) (1)	Turkey	Natural Gas Distribution
Kapadokya Doğalgaz Dağıtım A.Ş. (3) (1)	Turkey	Natural Gas Distribution
Erzingaz Doğalgaz Dağıtım A.Ş. (3) (1)	Turkey	Natural Gas Distribution
Olimpos Doğalgaz Dağıtım A.Ş. (3) (1)	Turkey	Natural Gas Distribution
Karaman Doğalgaz Dağıtım Ltd. Şti. (3) (1)	Turkey	Natural Gas Distribution
Kentgaz Denizli Şehir Doğalgaz Dağıtım A.Ş. (3) (1)	Turkey	Natural Gas Distribution
Aksaray Doğalgaz Dağıtım A.Ş. (3) (1)	Turkey	Natural Gas Distribution
Aydın Doğalgaz Dağıtımı A.Ş (3) (1)	Turkey	Natural Gas Distribution
Medgaz A.Ş. (Medgaz) (3) (6) (1)	Turkey	Natural Gas Wholesale
Kentgaz A.Ş. (Kentgaz) (1)	Turkey	Natural Gas Distribution
Naturelgaz Sanayi ve Tic. A.Ş. (Naturelgaz) (4)	Turkey	Natural Gas Transportation and Distribution
Bilecik Demir Çelik San. ve Tic. A.Ş. (5) (Bilecik Demir Çelik veya Bilecik)	Turkey	Steel, Iron Manufacture
IEG Kurumsal Finansman Danışmanlık AŞ. (IEG Kurumsal) (7)	Turkey	Corporate Fin. Consulting

(1) EYH and its subsidiaries (except Naturelgaz, consolidated as joint venture) have been sold to STFA, with a sales value of USD 75.000.000, on 10 July 2012. As at 10 July 2012, it is excluded from the scope of consolidation. The details have been explained in Note 36.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(2) These companies are consolidated to Enerji Yatırım Holding A.Ş..
(3) These companies are consolidated to Energaz and have been sold to STFA on 10 July 2012.
(4) As explained in detail in Note 3, this company was included in the scope of consolidation because EYH purchased 50% of the shares of this company on 23 May 2011. This company was proportionately consolidated by EYH. It was excluded from the scope of sales on 10 July 2012 and its shares' have been transferred to Global Enerji. Global Enerji has been purchased 30% of shares of Naturelgaz from the other shareholders on 12 December 2012 and since then the Group's ownership rate has increased to 55%. However, after the assessments of the Group management and the lawyers, the Group decided that the new shareholding rates is not sufficient to take control of Naturelgaz. Therefore it is treated as a joint venture and accounted to consolidated financial statements with the proportionate consolidation method. Since Naturelgaz does not a prepared financial statement as of 12 December 2012 and the difference of 19 days with the balance sheet date is considered insignificant in the consolidated financial statements, Group decided to account the acquisition of 30% of Naturelgaz by using the audited financial statements as of 31 December 2012. As a result of these assessments, the income statement items of Naturelgaz for the year ended 31 December 2012 are consolidated by 25% and the balance sheet items as of 31 December 2012 are consolidated by 55% to the Group consolidated financial statements with the proportional consolidation method.
(5) As at 15 September 2011, all shares in this company held by the Group (39,99%) have been sold to Ada Metal Demir Çelik Geri Dönüşüm San. ve Tic. A.Ş. ("Ada Metal"), the other shareholder of Bilecik Demir Çelik.
(6) In 2010, as its operations started to become significant, it has been included in the scope of consolidation.
(7) This company has been established on 17 May 2011 with a 50 %- 50 % shareholdering structure by Global Menkul, a subsidiary of the Group, and IEG (Deutschland) GmbH, a prominent company in corporate finance sector in Europe. As this company was not fully operational as at the balance sheet date, it has not been included in the scope of consolidation (Note 2.1.d.iii).

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Preparation

(a) Statement of Compliance

The accompanying consolidated financial statements of the Group 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's 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 2012, in accordance with IAS/IFRS prescribed by IASB.

With the governing decree law numbered 660 published in official gazette on 2 November 2011, the establishment article of TASB stated in the 2499 numbered law with an additional article number one has been superseded and the Council of Ministers decided to establish Public Oversight Accounting and Auditing Standards Agency ("Oversight Agency"). In accordance with the transitional article number one of the governing decree law, until the date of the issuing of standards and regulations by Oversight Agency, the existing regulations will be applied. Accordingly, as of reporting date, the Basis of Presentation has not been changed.

With the resolution taken on 17 March 2005, the CMB has announced that, effective from 1 January 2005, the application of IAS 29 "Financial Reporting in Hyperinflationary Economies" issued by IASB is no longer required for companies operating in Turkey and accordingly effective from 1 January 2005, IAS 29 has not been applied in preparing the Group's consolidated financial statements in accordance with CMB Financial Reporting Standards.

The consolidated financial statements of the Company as at and for the year ended 31 December 2012 have been approved for issue by the Board of Directors on 5 April 2013. The General Assembly of the Company have the right to modify the issued financial statements.

Consolidated financial statements are prepared based on historical cost except for the net assets acquired through business combinations, financial assets and liabilities measured at fair value and investment property measured at fair value. Methods that are used for measurement of fair value are explained in Note 35.

Additional paragraph for convenience translation into English:

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 Company is Turkish Lira (TL).

US Dollar is significantly used in the operations of the subsidiaries, Ege Liman, GFP, Vespa, Bodrum Liman and Ortadoğu Liman, and has a significant effect on the operations. Therefore, US Dollar has been determined as the functional currency of these companies in line with IAS 21–The Effects of Changes in Foreign Exchange Rates.

(c) Basis of consolidation

As at 31 December 2012 and 2011, 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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

The table below demonstrates the rates of the effective ownership and the voting power held in terms of percentages as of 31 December 2012 and 2011 for all the subsidiaries directly or indirectly controlled by the Group and included in the scope of consolidation:

	Effective ownership rates		Voting power held	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
Global Menkul Değerler A.Ş. (Note 24) (*)	75,67	76,85	76,85	76,85
Global Portföy Yönetimi A.Ş. (**)	39,97	99,92	40,00	100,00
Global Financial Products Ltd.	100,00	100,00	100,00	100,00
Global Sigorta Aracılık Hizmetleri A.Ş.	99,99	99,99	100,00	100,00
Global Liman İşletmeleri A.Ş. (Note 24)	77,89	77,89	77,89	77,89
Global Securities (USA) Inc.	75,67	76,85	75,67	76,85
CJSC Global Securities Kazakhstan	75,67	76,85	75,67	76,85
Ege Liman İşletmeleri A.Ş.	56,47	56,47	72,50	72,50
Bodrum Liman İşletmeleri A.Ş	46,73	46,73	60,00	60,00
Ortadoğu Antalya Liman İşletmeleri A.Ş.	77,73	77,73	100,00	100,00
Ege Global Madencilik San.ve Tic. A.Ş.	84,99	84,99	85,00	85,00
Mavi Bayrak Tehlikeli Atık İmha Sistemleri San.ve Tic.A.Ş.	100,00	100,00	100,00	100,00
Salıpazarı İnşaat Sanayi ve Ticaret A.Ş.	99,99	99,99	100,00	100,00
Güney Maden İşletmeciliği A.Ş.	99,99	99,99	100,00	100,00
Doğu Maden İşletmeciliği A.Ş.	99,99	99,99	100,00	100,00
Nesa Madencilik San.ve Tic.A.Ş.	99,99	99,99	100,00	100,00
Vespa Enterprises (Malta) Ltd.	99,93	99,93	100,00	100,00
Maya Turizm Ltd. (*)	74,96	74,72	80,00	80,00
Galata Enerji Üretim ve Ticaret A.Ş.	59,99	59,99	60,00	60,00
Global Enerji Hizmetleri ve İşletmeciliği A.Ş.	100,00	100,00	100,00	100,00
Tora Yayıncılık A.Ş.	96,00	96,00	100,00	100,00
Sem Yayıncılık A.Ş.	62,40	62,40	65,00	65,00
Pera Gayrimenkul Yatırım Ortaklığı A.Ş. (Note 24) (*)	49,99	49,51	60,00	60,00
Doğal Enerji Hizmetleri ve İşletmeciliği A.Ş.	99,99	99,99	100,00	100,00
Dağören Enerji A.Ş.	70,00	70,00	70,00	70,00
Global Depolama A.Ş.	77,88	77,88	100,00	100,00
GES Enerji A.Ş.	99,99	99,99	100,00	100,00
Sümerpark Gıda İşletmeciliği A.Ş.	99,99	99,99	100,00	100,00
İzmir Liman İşletmeciliği A.Ş. (Note 3)	82,53	82,53	100,00	100,00

(*) As at 31 December 2012, the Group was made sale and purchase transactions in respect of the shares of the subsidiaries were listed on the ISE and operated in real estate and finance sector (Global Menkul and Pera). As a result of these transactions, the Group's share of Pera and Global Menkul was 49,99% and 75,67%, respectively (31 December 2011: 49,51% and 76,85%). They were shown in the consolidated statement of changes in equity under the lines "Sale and purchase of shares of a subsidiary in real estate segment without loss of control" and "Sale and purchase of shares of a subsidiary in finance segment without loss of control".
(**) This company's assets and liabilities were classified as held for sale as at 31 December 2011. As at 28 February 2012, this company has been classified from a subsidiary to an investment in associates as a result of the transfer of 60% of the shares to AZ International Holdings SA based on Luxembourg , a subsidiary of Azimut (Note 14 and Note 36).

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

(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, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Significant influence is presumed to exist whrn the Group holds between 20% and 50% of the voting power of another entity. 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.

The Group's associates are accounted under equity method in the accompanying consolidated financial statements. 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 zero 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.

The table below demonstrates the rates of the effective ownership and the voting power held in terms of percentages (%) as of 31 December 2012 and 2011 for all the joint ventures which are under the direct or indirect joint control of the Group and included in the scope of consolidation:

	Effective ownership rates		**Voting power held**	
	31 December 2012	**31 December 2011**	**31 December 2012**	**31 December 2011**
Enerji Yatırım Holding A.Ş.	-	49,99	-	49,99
Energaz Gaz Elektrik, Su Dağıtım A.Ş.	-	49,49	-	49,49
Aksaray Doğalgaz Dağıtım A.Ş.	-	44,53	-	44,53
Aydın Doğalgaz Dağıtımı A.Ş	-	49,47	-	49,47
Kentgaz Denizli Şehir Doğalgaz Dağıtım A.Ş.	-	44,54	-	44,54
Gaznet Şehir Doğalgaz Dağıtım A.Ş.	-	37,43	-	37,43
Netgaz Şehir Doğalgaz Dağıtım A.Ş.	-	44,51	-	44,51
Erzingaz Doğalgaz Dağıtım A.Ş.	-	44,54	-	44,54
Olimpos Doğalgaz Dağıtım A.Ş.	-	44,54	-	44,54
Karaman Doğalgaz Dağıtım Ltd. Şti.	-	44,54	-	44,54
Çorum Doğalgaz Dağıtım ve Sanayi ve Ticaret A.Ş.	-	14,85	-	14,85
Kapadokya Doğalgaz Dağıtım A.Ş.	-	31,18	-	31,18
Medgaz A.Ş.	-	49,49	-	49,49
Naturelgaz Sanayi ve Tic. A.Ş. (*)	55,00	25,00	55,00	25,00

(*) As explained in detail in Note 3, this company was included in the scope of consolidation because EYH purchased 50% of the shares of this company on 23 May 2011. This company was proportionately consolidated by EYH. It was excluded from the scope of sales on 10 July 2012 and its shares' have been transferred to Global Enerji. Global Enerji has been purchased 30% of shares of Naturelgaz from the other shareholders on 12 December 2012 and since then the Group's ownership rate has increased to 55%. However, after the assessments of the Group management and the lawyers, the Group decided that the new shareholding rates is not sufficient to take control of Naturelgaz. Therefore it is treated as a joint venture and accounted to consolidated financial statements with the proportionate consolidation method. Since Naturelgaz does not a prepared financial statement as of 12 December 2012 and the difference of 19

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

days with the balance sheet date is considered insignificant in the consolidated financial statements, Group decided to account the acquisition of 30% of Naturelgaz by using the audited financial statements as of 31 December 2012. As a result of these assessments, the income statement items of Naturelgaz for the year ended 31 December 2012 are consolidated by 25% and the balance sheet items as of 31 December 2012 are consolidated by 55% to the Group consolidated financial statements with the proportional consolidation method.

As at 31 December 2012 and 2011, the Group does not have an associate.

EYH and its subsidiaries (except Naturelgaz, consolidated as joint venture) have been sold on 10 July 2012. The details have been explained in Note 36.

Until 12 December 2012, Naturelgaz was consolidated to GYH by 25%. After that date with purchasing 30% of shares of Naturelgaz from Goldenberg Family, it was consolidated by 55% as at 31 December 2012.

(iii) Available for sale financial assets

Equity securities in which the Group owns either directly or indirectly 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 2012 Ra Güneş, Tres Enerji, IEG Kurumsal and Randa in which the Group has effective ownership interests of 75%, 75%, 38,43% and 99,9% respectively and which are immaterial to the consolidated financial statements and Torba İnşaat ve Turistik A.Ş. in which the Group has an ownership interest of 80% but has no control are not consolidated and are disclosed as available for sale financial assets carried at cost less any impairment losses. For the same reasons, as at 31 December 2011, Kentgaz, IEG Kurumsal, Randa and Torba are disclosed as available for sale financial assets, carried at cost less any impairment losses.

As at 31 December 2012, Ra Güneş, Tres Enerji, IEG Kurumsal and Randa are considered as immaterial to the consolidated financial statements since the portion of their assets is 0,077% of the total consolidated assets of the Group and they do not generate any revenues.

As at 31 December 2011, Kentgaz is considered as immaterial to the consolidated financial statements since the portion of its assets is 0,004% of the total consolidated assets of the Group and it does not generate any revenues.

(iv) Special purpose entities

The Group has established in 2007 a special purpose entity ("SPE") namely, Apogee Investments Ltd. located in Cayman Islands to invest in the notes issued by Deutsche Bank AG Luxembourg SA in the scope of the loan participation notes borrowed from Deutsche Bank AG Luxembourg branch. This entity was consolidated as at 31 December 2008 since the main purpose of the entity was to invest in these notes in the market with the directions of the Company. All the notes have been purchased by the Group from the entity in 2008 and the SPE has been excluded from the scope of consolidation afterwards.

(iv) Consolidation adjustments

Intra-group balances and transactions, 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 equity accounted investees 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.

(v) Non-controlling interest

For each business combination, the Group elects to measure any non-controlling interests in the acquire either:

- At fair value; or
- At their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognized in profit or loss.

(vi) Loss of control

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus of deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently that retained interest is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(vii) 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 non-controlling 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 non-controlling interests are also recorded in equity. For disposals to non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recorded in equity.

(viii) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date when control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the marketbased value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

(e) Changes in Accounting Policies and Estimates/Errors

The changes in accounting policies resulting from the initial application of a new TAS/TFRS are applied in accordance with the transition clauses of the related IAS/IFRS, if any, retrospectively or prospectively. The changes for which no transition clauses exist, the significant optional changes in accounting policies or the identified accounting errors are applied retrospectively and the financial statements for the prior periods are restated. Changes in accounting estimates are applied in the current period if the change is related with only one period. They are applied in the current period and prospectively if they are related to the future periods. The Group has no significant change in its accounting policies and estimates.

(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.

(g) Changes in the International Financial Reporting Standards

The Group applied in the consolidated financial statements all the standards issued by the IASB and the interpretations of the Internation Financial International Financial Reporting Interpretations Committee ("IFRIC") which were effective and required as at 31 December 2012.

The standards and interpretations effective for the periods starting on 1 January 2012 or thereafter are presented below:

(a) The standards, amendments and interpretations effective in 2012:

- IAS 12 (Amendment), "Income Taxes"- Deferred taxes: Recovery of Underlying Assets
- IFRS 7 Financial Instruments – Disclosure on the comprehensive study of off-balance sheet transactions (Amendments),

The standards, amendments and interpretations above did not have a significant effect on the Group's financial statements.

(b) Standards, amendments and interpretations to existing standards that are not yet effective as at 31 December 2012 and have not been early adopted by the Group:

- IAS 1 (Amendment), "Presentation of Items of Other Comprehensive Income"
- IAS 19 (Amendment), "Employee Benefits"
- IAS 27 (Amendment), "Separate Financial Statements"
- IAS 28 (Amendment), "Investments in Associates and Joint Ventures"
- IFRS 7 (Amendent), "Disclosures: Offsetting Financial Assets and Financial Liabilities"
- IFRS 10 "Consolidated Financial Statements"
- IFRS 12 "Disclosure of Interest in Other Entities"
- IFRS 13 "Fair Value Measurement"
- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine"
- Investment Entities (Amendments to IFRS 10, IFRS 11 and IFRS 12)
- Annual Improvements to IFRS 2009-2011 Cycle
- IAS 32 (Amendment), "Financial Instruments: Presentation-Offsetting Financial Assets and Financial Liabilities"
- IFRS 10 (Amendment), "Consolidated Financial Statements"
- IFRS 9 Financial Instruments-Classification and Disclosures

The Group does not plan to adopt these standards before their effective date and the extent of their impact has not been determined yet.

2.2 Summary of Significant Accounting Policies

(a) Revenues

(i) Service and commission revenue

The Group receives commissions for providing services with brokerage services and asset management services, and recognizes in profit or loss by taking into account the completion stage at the end of the reporting period. Other service and commission revenues comprised of interest received from customers, portfolio management commissions and other commissions and consultancy services and recognizes in profit or loss by taking into account the completion stage at the end of the reporting period.

(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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(iv) Natural gas sales

Revenues from the sales of natural gas comprise the revenues from the sales to individual and corporate subscribers. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the subscribers and natural gas has been consumed by the related subscriber. In addition, natural gas distributed but not billed is accrued at each reporting period. The Group accounts prepaid sales which part is not used by the subscribers as deferred natural gas revenue in other current liabilities. Deferred prepaid sales are recognized as revenue as natural gas is 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. In accordance with the legislation, the previously collected connection service fees are not returned in case the natural gas subscribers unsubscribe. In addition, the service connection fee can be charged to one address only once. The Group accounts for the connection fees when the service is provided and recognizes the income in profit or loss throughout the license period. Connection fee revenues change as to the periods when the connection service is provided to the subscribers.

(vi) Construction contracts

The Group accounts for 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 are 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 revenues and port rent income

Port administration revenues comprise revenues from services provided to ships and motorboats (pilotage, tugboat rents, passenger landing fee, etc.), and cargo handling fees (general cargo, bulk cargo, container) recognized on accrual basis.

Rent income comprises rental income from marina, shopping centers and duty-free stores. Rent income is recognized in profit or loss on a straight line basis over the term of the lease.

(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 revenues 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 in profit or loss on accrual basis.

(b) Expenses

Expenses are accounted for on accrual basis. Operational lease expenses are recognized in profit or loss on a straight line basis over the lease term.

Interest expenses

Interest expenses are accrued by using the effective interest method or applicable variable interest rate. Interest expenses 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. The financial costs that are directly attributable to the acquisition, construction or production of a qualified asset are capitalized.

(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 at balance sheet date and net realizable value. Net realizable value represents the fair value less costs to sell. Borrowing costs directly attributable to the trading properties in progress are included in the cost of the trading property. Expenses are capitalized from the date they have been incurred to the date the asset is available for use. The duration of the completion of these trading properties is over one year and it varies from project to project.

(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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Investment properties are measured initially at cost. Transaction costs are included in the initial measurement. Investment properties are measured in accordance with fair value model. Related changes are recognized in profit or loss in the period.

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. It applied to all investment properties.

The investment property under construction is the investment property which is being constructed for earning rentals or for capital appreciation, or both. This property is classified as construction in progress under the investment property.

If the Group determines that the fair value of an investment property under construction is not realiably determinable but expects that the fair value of the property to be reliably determinable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). Costs 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 for use. If the cost of the investment property in progress is 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.

Once the Group becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, that property is measured at fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably.

An investment property under construction is measured at the fair value to be determined once its construction is complete less the construction and borrowing costs estimated to be realized until the construction is complete.

(e) Property, Plant and Equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

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

Cost also includes transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

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.

Property, plant and equipment of companies, whose functional currencies are not TL, are denominated in the original currencies, stated at cost, less accumulated depreciation and accumulated impairment losses and are translated to TL by using the exchange rate ruling at the reporting date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The depreciation rates used by the Group are as follows:

Buildings	2-25%
Land improvements	3,38-4,49%
Machinery and equipment	5-25%
Motor vehicles	5,56-25%
Furniture and fixtures	2-33,33%
Leasehold improvements	3,33-33,33%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(f) Intangible Assets

Intangible assets comprise port operation rights, licenses, contract-based customer relationships, development costs, computer software, and the hydroelectric power plant ("HEPP") license, Vakıf Han building usage rights, other rights and other intangible assets.

Intangible assets related to operations whose functional currency is TL and which were acquired before 1 January 2005 are restated for the effects of inflation in TL units current at 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.

Intangible assets related to operations whose functional currencies are not TL, are denominated in the original currencies, stated at cost, less accumulated amortization and accumulated impairment losses and are translated to TL by using the exchange rate ruling at the reporting date.

In a business combination or acquisition, the acquirer recognizes separately an intangible asset of the acquiree at the acquisition date only if it meets the definition of an intangible asset in IAS 38 Intangible Assets and its fair value can be measured reliably.

Development activities involve a plan or design for the production of new or substantively improved products and processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

(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 are as follows:

Port operation rights (*)	3,33-8,33%
Costumer Relationship	8,33%
Rights	2,22-33,33%
Software	10-33,33%
HEPP license	2,01%
Natural gas sales and transmission license (**)	3,33%

(*) Port operation rights will expire by 2028 for Ortadoğu Liman, by 2033 for Ege Liman and by 2019 for Bodrum Liman.
(**) The licenses of Natural Gaz include the compressed natural gas (CNG) sales licences in İzmir, Bursa, Antalya and Adapazarı regions as well as the CNG transmission license. The CNG transmission license and the CNG sales licenses in Bursa, Antalya and Adapazarı have been obtained by Naturelgaz in 2005 whereas the CNG sales license in İzmir has been obtained in 2006. The licenses are valid for 30 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Goodwill

According to IFRS 3 "Business Combinations", the excess of cost of the total consideration over the fair value of the identifiable assets, liabilities and contingent liabilities 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 acquired in a business combination, the difference is recognized as income (gain on a bargain purchase (negative goodwill)).

The initial recognition of the business combination is accounted for provisionally if the fair values of the identifiable assets, liabilities and contingent liabilities acquired in a business combination can only be recognized, or the cost of a business combination is measured, only using provisional amounts. The provisional business combination accounting shall be completed in the 12 months following the date of acquisition and the adjustments shall be recognized retrospectively.

The goodwill acquired in a business combination is not amortized. Alternatively, once a year or the conditions indicate the impairment losses, the Group tested impairment losses more frequently than the usual conditions.

(h) Concession Intangible Assets

The Group applied IFRIC 12 starting from 1 January 2008 in the consolidated financial statements due to the following reasons:

The subsidiaries of Energaz (except for Medgaz) have the rights and obligations to distribute natural gas in their operation districts in accordance with the distribution licenses accredited by the Energy Market Regulatory Authority ("EMRA"). These natural gas distribution companies' license information is presented below:

Company	**License Date**	**License Expiry Date**
Kentgaz Denizli Şehir Doğalgaz Dağıtım A.Ş.	6 February 2006	16 February 2036
Gaznet Şehir Doğalgaz Dağıtım A.Ş.	5 December 2003	5 December 2033
Netgaz Şehir Doğalgaz Dağıtım A.Ş.	22 June 2004	22 June 2034
Olimpos Doğalgaz Dağıtım A.Ş.	12 October 2006	12 October 2036
Kapadokya Doğalgaz Dağıtım A.Ş.	29 September 2005	29 September 2035
Aksaray Doğalgaz Dağıtım A.Ş.	25 May 2004	25 May 2034
Karaman Doğalgaz Dağıtım Ltd. Şti.	14 July 2006	14 July 2036
Erzingaz Doğalgaz Dağıtım A.Ş.	4 August 2006	4 August 2036
Çorum Doğalgaz Dağıtım ve Sanayi ve Ticaret A.Ş.	16 March 2004	16 March 2034
Aydıngaz Doğalgaz Dağıtım A.Ş	21 August 2008	21 August 2038

Moreover, Medgaz, a subsidiary of Energaz, has been established to engage in natural gas wholesale sales operations and obtained its license from the EMRA on 7 October 2009. The license will expire by 7 October 2039.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(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 set 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 indicate that EMRA controls significant residual interest in the infrastructure both within the concession period and 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 vary between 3,38% and 4,49%.

(i) Financial Instruments

(i) Non-derivative financial assets

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

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

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

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred.

Financial assets at fair value through profit or loss are measured at fair value and changes therein, which takes into account any dividend income, are recognised in profit or loss.

Financial assets designated as at fair value through profit or loss comprise equity securities that otherwise would have been classified as available-for-sale.

The fair value of the financial instruments is 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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Held-to-maturity financial assets

If the Group has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Loans and receivables comprise cash and cash equivalents, and trade and other receivables.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Available-for-sale financial assets comprise equity securities and debt securities.

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 has been restated by considering the inflation effect until 31 December 2004 less impairment losses if any, since they are acquired before 1 January 2005.

(ii) Non-derivative financial liabilities

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, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such 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 method.

Other financial liabilities comprise loans and borrowings, debt securities issued (including certain preference shares, bank overdrafts, and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the statement of cash flows.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Repurchase and reissue of share capital (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 in the reserve for own shares. 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 presented in share premium.

(iv) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if:

- the economic characteristics and risks of the host contract and the embedded derivative are not closely related;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the combined instrument is not measured at fair value through profit or loss.

On initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80 – 125 percent. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that ultimately could affect reported profit or loss.

Derivatives are recognised initially at fair value; any attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(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.

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Impairment losses on equities are measured as the difference between the carrying value and the market value of the equities and losses are recognized 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. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

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.

An impairment loss in respect of goodwill is not reversed. 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) Employee Benefits

In accordance with the existing labor law in Turkey, the 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, or due to retirement, military service or death. Retirement pay liability is calculated by using lower of employee's monthly salary and retirement pay ceiling. It is detailed in Note 22 as at 31 December 2012 and 2011. The Group recognizes retirement pay liability as the present value of the estimated total reserve of the future probable obligation of the Group. The key actuarial assumptions used in the calculation of the retirement pay liability are detailed in Note 22.

(l) Foreign Currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the 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. Foreign currency differences arising on retranslation are recognized in profit or loss.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

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 consolidation purpose in accordance with IAS 21.

Foreign currency differences arising on operations with foreign currency are recognised in profit or loss as foreign currency exchange gains and losses.

According to IAS 21, balance sheet items presented in the financial statements of domestic and foreign subsidiaries and joint ventures whose functional currency is different from 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 of the transaction date. Profit or loss from translation difference of these operations is recognised as "Currency Translation Differences" under the equity.

As at 31 December 2012 and 2011, foreign currency buying exchange rates of the Central Bank of Republic of Turkey ("CBRT") comprised the following:

	31 December 2012	31 December 2011
US Dollar/TL	1,7826	1,8889
Euro/TL	2,3517	2,4438

The average foreign currency buying exchange rates of the CBRT in 2012 and 2011 comprised the following:

	2012	2011
US Dollar/TL	1,7925	1,6700
Euro/TL	2,3045	2,3224

(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 currency translation differences ("CTD"). When a foreign operation is disposed of, in part or in full, the relevant amount in the CTD 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. The profit/(loss) before tax and the profit/(loss) after the tax of the discontinued operation are presented in the notes of the consolidated financial statements and a profit/(loss) analysis including the income and expenses is performed. Besides, the net cash flows related to operational, investing and financing activities of the discontinued operations are presented in the related note.

In compliance with IAS 31 "Shares in Joint Ventures" and IFRS 5 "Assets Classified as Held For Sale and Discontinuing Operations", the interests in jointly controlled entities are accounted for in accordance with IFRS 5. When an interest in a jointly controlled entity previously classified as held for sale no longer meets the criteria to be classified, it is accounted for using proportionate consolidation or the equity method as from the date of its classification as held for sale. Financial statements for the periods since classification as held for sale are amended accordingly. The operations of the joint venture whose operations have been previously classified as discontinued are classified as continued.

A group of assets is classified as asset held for sale if their carrying amount is planned to be recovered principally through a sale transaction rather than through continuing use. The liabilities directly associated with these assets are classified similarly. Such group of assets is accounted for at the lower of its carrying amount (being the net amount of the assets and liabilities directly associated with them) and fair value less costs to sell.

If the Group has classified an asset (or disposal group) as held for sale, but the criteria of such classification are no longer met, the Group ceases to classify the asset (or disposal group) as held for sale. The Group measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

(a) its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortization or revaluations that would have been recognized had the asset (or disposal group) not been classified as held for sale.

(b) its recoverable amount at the date of the subsequent decision not to sell.

The Group does not reclassify or re-present amounts presented for non-current assets or for the assets and liabilities of disposal groups classified as held for sale in the balance sheet for prior periods to reflect the classification in the balance sheet for the latest period presented.

(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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(o) Events After the Reporting Period

Events after the reporting period 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 reporting period. 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

(i) Financial lease:

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.

(ii) Operating lease:

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 (e)
(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 through 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 for and receive such subsidies and incentives. Government subsidies and incentives utilized by the Group are presented in Note 37.

(v) 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 in the reserve for own shares. 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 presented in share premium.

(y) 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.

Current tax liability is calculated on taxable profit for the current year based on tax laws and tax rates that have been effective for the reporting date including adjustment related to previous years' tax liabilities.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

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.

(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 intangible 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 original maturity of less than three months having no impairment risk exposure.

(aa) Receivables From Reverse Repurchase Agreements

The funds given in return for the financial assets subject to reverse repurchase are accounted for as receivables from reverse repurchase agreements under the cash and cash equivalents. For the difference between the purchase and re-sale prices determined in accordance with the related reverse repurchase agreements, which is attributable to the period, an income rediscount is calculated with the internal rate of return method and is accounted for by adding to the cost of the receivables from reverse repurchase agreements.

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

2.3 Summary of Significant Accounting Judgements, Estimates and Assumptions

The preparation of the consolidated 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.

In preparing these consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2011.

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.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

Note 2.2 (e)	-Accounting and measurement of concession intangible assets witih in the context of IFRIC 12
Note 3	- Business combinations
Note 15	- Fair value of invesment properties
Note 36	- Assets held for sale

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

Not 2.2 (e,f,h)	- Useful lives of tangible and intangible assets and concession intangible assets
Note 10	- Impairment losses on accounts receivable
Note 12	- Impairment losses on receivables from finance sector operations
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 discontinued operations

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

3 BUSINESS COMBINATIONS

a) Naturelgaz:

Second share purchase (30%) (2012)

On 12 December 2012, Global Enerji, a subsidiary of the Group, acquired 30% of the shares and voting rights of Naturelgaz a company operating in the natural gas transmission and distribution sector, from Rudolf Ruben Goldenberg, Lusi Aşer Goldenberg and Altındağ Yatırım Mümessillik ve Ticaret A.Ş at a price of USD 12.000.000 (equivalent to TL 21.325.200 in total). Thus, the effective shareholding interest of the Group in Naturelgaz became 55%.

Naturelgaz was established in order to operate in the CNG (compressed natural gas) sector. This company meets the natural gas needs of many diversified users such as the large industrial companies, small enterprises, mass housing projects, villas, hotels, recreational facilities, forklifts and generators in the areas where natural gas can not be distributed via pipelines. Moreover, it provides fuel for buses, minibuses and heavy vehicles. With the purchase of shares in Naturelgaz, the Group continued to expand its investment in the energy sector. The total net identifiable assests of Naturelgaz as at 31 December 2012 was determined by an authorized valuation company.

The following table summarizes the details related to the accounting of the acquisition in accordance with the acquisition method:

Acquisition cost	21,325,200
Fair value of net identifiable assets (%30)	(24,336,851)
Bargain purchase gain(negative goodwill)	**(3,011,651)**

Bargain purchase gain is recognized in other operating income in the consolidated statement of comprehensive income (Note 28).

	Fair value		Book value
Identifiable assets acquired and liabilities assumed	**100%**	**Fair value of acquisition**	**100%**
Cash and cash equivalents	383.184	114.955	383.184
Trade and other receivables	12.569.791	3.770.937	12.569.791
Inventories	2.881.154	864.346	2.881.154
Other current assets	4.460.123	1.338.037	4.460.123
Property, plant and equipment	49.532.668	14.859.800	44.133.234
Intangible assets	71.293.017	21.387.905	27.710.903
Financial liabilities	(21.980.529)	(6.594.159)	(21.980.529)
Trade and other payables	(17.091.094)	(5.127.328)	(17.091.093)
Provision for employee termination indemnity	(447.204)	(134.161)	(447.204)
Provisions	(7.549)	(2.265)	(7.549)
Deferred tax liability	(18.804.800)	(5.641.440)	(9.008.491)
Other liabilities	(1.665.923)	(499.776)	(1.665.923)
Net identifiable assets	**81.122.838**	**24.336.851**	**41.937.600**

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

As a result of the acquisition, Global Enerji, a subsidiary of the Group, recognized net identifiable assets, liabilities and contingent liabilities corresponding to the previously held 25% equity interest at their fair values at the acquisition date in its consolidated financial statements. As a result of this recognition, the difference between the fair value and the carrying amount of the net identifiable assets at the acquisition date corresponding to equity interest held immediately prior to acquisition is recognized as gain on previously-held interest in other operating income in the consolidated statement of comprehensive income. The following summarizes the gain on previously-held interest recognized:

Fair value of the net identifiable assets corresponding to equity interest held immediately prior to acquisition (25%)	20.280.709
Carrying amount of the net identifiable assets corresponding to equity interest held immediately prior to acquisition	(10.484.399)
Gain on previously-held interest	9.796.310

(**) Gain on previously-held interest is recognized in other operating income in the consolidated statement of comprehensive income (Note 28).

This acquisition is accounted for by applying the acquisition method, which requires the measurement of the identifiable assets, liabilities and contingent liabilities at their fair values as of the date of acquisition in accordance with IFRS 3 "Business Combinations". As at acquisition date, gross contractual cash flows of trade and other receivables reflect their fair values.

Net cash outflow due to the acquisition is as follows:

Consideration paid	5.331.300
Cash associated with purchased assets	(114.955)
Net cash outflow	**5.216.345**

Acquisition of Naturelgaz, included in the scope of consolidation as a result of the acquisition, has no effect on the sales in 2012. Naturelgaz and its acquisition including bargain purchase gain and gain on previously-held interest decreased the consolidated profits of TL 12.807.961. If the acquisition had occurred on 1 January 2012, management estimates that the consolidated revenues in 2012 would have been TL 339.905.516 and the consolidated net profit for the period would have been TL 115.103.675. In determining these amounts, management assumed that the fair value adjustments that arose on the acquisition date as well as the carrying values and the acquisition conditions would have been the same if the acquisition had occurred on 1 January 2012.

First share purchase (25%) (2011)

On 23 May 2011, Enerji Yatırım Holding. a joint venture of the Group, acquired 50% of the shares and voting rights of Naturelgaz Sanayi ve Ticaret A.Ş. a company operating in the natural gas transmission and distribution sector, from Çalık Enerji Sanayi ve Ticaret A.Ş. and Ahmet Çalık at a price of TL 16.000.000 and USD 565.000 (equivalent to TL 16.889.084 in total). Thus, the effective shareholding interest of the Group in Naturelgaz became 25%.

During the period from 23 May 2011 to 31 December 2012, the acquisition of Naturelgaz's shares contributed revenues of TL 3.178.925 and net profits of TL 2.957.458 (including a bargain purchase gain). If the acquisition had occurred on 1 January 2011, management estimates that the consolidated revenues would have been TL 365.743.213 and the consolidated net loss attributable to the owners of the Company would have been TL 82.383.031. In determining these amounts, management assumed that the fair values determined on the acquisition date would have been the same if the acquisition had occurred on 1 January 2011.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

The following table summarizes the details related to the accounting of the acquisition in accordance with the acquisition method:

	EYH's share	Group's share (*)
Acquisition cost	16.889.084	8.442.853
Fair value of total net identifiable assets (50%)	(23.476.109)	(11.735.707)
Bargain purchase gain (negative goodwill) (**)	**6.587.025**	**3.292.854**

(*) When calculating the Group's share, the effective shareholding rate of EYH (49,99%) has been taken into consideration.
(**) Bargain purchase gain is recognized in other operating income in the consolidated statement of comprehensive income (Note 28).

Identifiable assets acquired and liabilities assumed	100% (*)	EYH's share (**)	Group's share (***)
Cash and cash equivalents	28.485	14.243	7.120
Trade and other receivables	2.484.995	1.242.498	621.125
Inventories	474.197	237.099	118.526
Other current assets	362.491	181.246	90.605
Property, plant and equipment	31.884.802	15.942.401	7.969.606
Intangible assets	29.586.137	14.793.069	7.395.055
Financial liabilities	(1.666.977)	(833.489)	(416.661)
Trade and other payables	(5.640.152)	(2.820.076)	(1.409.756)
Provision for employee termination indemnity	(228.714)	(114.357)	(57.167)
Deferred tax liability	(9.423.194)	(4.711.597)	(2.355.327)
Other liabilities	(909.855)	(454.928)	(227.419)
Net identifiable assets and liabilities	**46.952.215**	**23.476.109**	**11.735.707**

(*) Represents 100% of the net identifiable assets of Naturelgaz.
(**) Represents the share in the net identifiable assets of Naturelgaz purchased by EYH (50%).
(***) Represents the Group's share (25%) in the net identifiable assets of Naturelgaz.

This acquisition is accounted for by applying the acquisition method, which requires the measurement of the identifiable assets, liabilities and contingent liabilities at their fair values as of the date of acquisition in accordance with IFRS 3 "Business Combinations". As at acquisition date, gross contractual cash flows of trade and other receivables reflect their fair values.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Net cash outflow due to the acquisition is as follows:

Consideration paid	8.442.853
Cash associated with purchased assets	(7.120)
Net cash outflow	**8.435.733**

(b) İzmir Liman (2011):

Global Liman, the Group's subsidiary, completed the purchase of 54% of the shares and voting rights of İzmir Liman, the Group's joint venture, from the other shareholders for TL 1.133.838 and USD 300.002 on 29 June 2011 (total: TL 1.620.828). As such, the Group's effective ownership interest in İzmir Liman became 100% on 29 June 2011. TL 1.133.838 of the total consideration was deducted from the receivables of Global Liman from the other shareholders. USD 200.000 (equivalent to TL 356.610) was paid in cash and the remaining amount is paid in February 2012.

The following table summarizes the details related to the accounting of the acquisition in accordance with the acquisition method:

Acquisition cost	1.620.828
Fair value of net identifiable assets and liabilities (100%)	(6.990.170)
Fair value of net identifiable assets before acquisition (46%)	3.215.478
Bargain purchase gain (Negative goodwill) (*)	**2.153.864**

(*) Bargain purchase gain is recognized in other operating income in the consolidated statement of comprehensive income (Note 28).

Net cash outflow due to acquisition is as follows:

Consideration paid	356.610
Cash associated with purchased assets	(7.095)
Net cash outflow	**349.515**

Transactions with owners of the Company, recognized dirrectly in equity:

The transactions with owners of the Company are not under the scope of IFRS 3 "Business Combinations". These transactions are explained in Note 24.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

4 JOINT VENTURES

Shares in Joint Ventures

Financial statement information of joint ventures as at 31 December 2012 not adjusted for the percentage ownership held by the Group is as follows:

Joint Ventures	Participation rates	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Income	Expenses
Enerji Yatırım Holding A.Ş. and its subsidiaries (*)	-	-	-	-	-	332.807.552	(345.132.892)
Naturelgaz (**)	%55,00	10.173.791	14.096.835	16.693.381	5.452.456	10.094.991	(10.654.474)

(*) EYH and its subsidiaries (except Naturelgaz) have been sold on 10 July 2012 . While the income and expenses up to the date of sale have been consolidated, the assets and liabilities have been excluded from the scope of consolidation. Since EYH does not a prepared financial statement as of 10 July 2012 and the difference of 10 days with 30 June 2012 is considered insignificant in the consolidated financial statements, Group decided to use the financial statements of EYH as of 30 June 2012 for the acquisition accounting.
(**) On 12 December 2012, Global Enerji, a subsidiary of the Group, acquired 30% of the shares and voting rights of Naturelgaz, from Rudolf Ruben Goldenberg, Lusi Aşer Goldenberg and Altındağ Yatırım Mümessillik ve Ticaret A.Ş at a price of USD 12,000,000 (equivalent to TL 21,325,200 in total). Thus, the effective shareholding interest of the Group in Naturelgaz became 55%. The income statement of Naturelgaz for the year ended 31 December 2012 is consolidated with 25% and the balance sheet as of 31 December 2012 is consolidated with 55% with a proportionate consolidation method.

Financial statement information of joint ventures as at 31 December 2011 not adjusted for the percentage ownership held by the Group is as follows:

Joint Ventures	Participation rates	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Income	Expenses
Enerji Yatırım Holding A.Ş. and its subsidiaries	%49,99	100.250.263	375.362.551	347.387.757	258.415.597	461.164.165	(516.385.946)

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 (including Global Yatırım Holding), 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.

The busiest period of the Group's joint ventures operating in the natural gas distribution sector under the energy segment includes the months of January, February and March as well as November and December depending on the weather conditions. Especially in the winter months (December, January, February), the operations of the subsidiaries of the Group operating in the port operation sector under the infrastructure segment decline in comparison with the other months of the year. The busiest period in the cruise port operations is the third quarter of the year. These seasonality of operations have an impact on the performance of the aforementioned segments.

Information regarding all the segments is 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. As the transactions mentioned below became significant in terms of the operations of the Group, the Group, starting in 2011, includes the following items in the EBITDA: the profit or/loss before tax earned by the Group companies' sale of the Company shares and the profit or/loss before tax earned by the Group from the sale of its subsidiaries' shares without losing the control and unquoted to an active market. These gains and losses are accounted for under the equity in the consolidated financial statements. The information related to the segments of the Group is disclosed below.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	Energy (*)		Finance		Infrastructure		Real Estate		Other		Total	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011	31 December 2012	31 December 2011	31 December 2012	31 December 2011	31 December 2012	31 December 2011	31 December 2012	31 December 2011
Segment assets	138.475.557	297.524.760	290.931.287	210.412.707	670.897.550	756.279.798	263.043.622	260.958.147	3.554.912	4.035.648	**1.366.902.928**	**1.529.211.060**
Segment liabilities	61.389.377	286.568.131	273.292.116	220.369.834	245.807.648	287.511.961	46.663.970	56.896.891	2.418.357	2.877.716	**629.571.468**	**854.224.533**

	Energy (*)		Finance		Infrastructure		Real Estate		Other		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
External revenues	162.042.232	217.194.022	23.211.103	29.708.323	122.390.528	108.133.744	17.246.635	4.427.532	3.519.678	4.770.332	**328.410.176**	**364.233.953**
EBITDA	7.364.318	999.434	120.544.100	16.032.791	80.221.916	64.781.955	5.913.786	4.623.075	(395.984)	(692.988)	**213.648.136**	**85.744.267**
Depreciation and amortisation expense (-)	(4.767.908)	(6.853.506)	(1.201.162)	(1.079.913)	(41.936.894)	(38.391.362)	(283.280)	(265.951)	(109.145)	(577.545)	**(48.298.389)**	**(47.168.277)**
Finance income	10.383.267	5.145.899	39.991.055	55.590.122	19.580.057	5.958.619	823.544	579.624	-	80.520	**70.777.923**	**67.354.784**
Finance expenses	(10.847.582)	(34.383.571)	(99.429.500)	(90.282.902)	(14.439.519)	(16.612.938)	(6.865.576)	(5.134.568)	(479.369)	(3.080.958)	**(132.061.546)**	**(149.494.937)**
Significant non-cash income/ expense	12.807.962	2.937.199	(1.833.839)	(2.649.188)	-	2.240.018	4.467.094	2.353.596	-	-	**15.441.217**	**4.881.625**

(*) EYH and its subsidiaries (except Naturelgaz) have been sold on 10 July 2012 . While the income and expenses up to the date of sale have been consolidated, the assets and liabilities have been excluded from the scope of consolidation. Since EYH does not a prepared financial statement as of 10 July 2012 and the difference of 10 days with 30 June 2012 is considered insignificant in the consolidated financial statements, Group decided to use the financial statements of EYH as of 30 June 2012 for the accounting of the sale transaction.

On 12 December 2012, Global Enerji, a subsidiary of the Group, acquired 30% of the shares and voting rights of Naturelgaz, from Rudolf Ruben Goldenberg, Lusi Aşer Goldenberg and Altındağ Yatırım Mümessillik ve Ticaret A.Ş. Thus, the effective shareholding interest of the Group in Naturelgaz became 55%. The income statement of Naturelgaz for the year ended 31 December 2012 is consolidated with 25% and the balance sheet as of 31 December 2012 is consolidated with 55% with a proportionate consolidation method.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	1 January– 31 December 2012	1 January– 31 December 2011
Revenues		
Segment revenues	328.410.176	364.341.166
Elimination of inter-segment revenues (*)	-	(107.213)
Consolidated revenues	**328.410.176**	**364.233.953**

	1 January– 31 December 2012	1 January– 31 December 2011
Total segment EBITDA	213.648.136	85.744.267
Finance income (Note 29)	63.833.813	56.906.476
Finance expenses (Note 30)	(124.875.189)	(140.029.188)
(Gain)/Loss on sale of shares recognized in equity (Note 24.1)	(1.146.845)	(48.557.283)
Share of profit/(loss) from equity accounted investees	(630.576)	-
Depreciation and amortisation expenses (Note 27)	(48.298.389)	(47.168.277)
Consolidated profit/(loss) before income tax	**102.530.950**	**(93.104.005)**

	1 January– 31 December 2012	1 January– 31 December 2011
Segment finance income	70.777.923	67.354.784
Elimination of inter-segment finance income	(6.944.110)	(10.448.308)
Total finance income (Note 29)	**63.833.813**	**56.906.476**

	1 January– 31 December 2012	1 January– 31 December 2011
Segment finance expenses	(132.061.546)	(149.494.937)
Elimination of inter-segment finance expenses	7.186.357	9.465.749
Total finance expenses (Note 30)	**(124.875.189)**	**(140.029.188)**

Significant non-cash income/expense (**)	1 January– 31 December 2012	1 January– 31 December 2011
Bargain purchase gain (Note 28)	3.011.651	5.446.718
Gain on previously held interest (Note 28)	9.796.310	-
Gain/loss on valuation of real estate, net (Note 28)	4.467.095	4.009.234
Provision for consultancy expenses (Note 20)	(808.815)	(2.395.847)
Allowance for doubtful receivables (Note 26)	(1.025.024)	(2.247.027)
Other	-	68.547
Total	**15.441.217**	**4.881.625**

Fixed asset purchases (***)

	1 January– 31 December 2012	1 January– 31 December 2011
Energy	19.922.335	31.085.133
Finance	2.854.354	2.113.272
Infrastructure	6.724.679	24.781.762
Real Estate	577.373	3.639.433
Other	17.788	550.655
Total	**30.096.529**	**62.170.255**

(*) The total amount of elimination of inter-segment revenues is related to the finance segment.
(**) Includes the significant non-cash income and expenses included in the EBITDA.
(***) Fixed asset purchases include additions to property, plant and equipment, intangible assets, concession intangible assets and investment property.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

6 CASH AND CASH EQUIVALENTS

As at 31 December 2012 and 31 December 2011, cash and cash equivalents comprised the following:

	31 December 2012	31 December 2011
Cash on hand	462.228	256.269
Cash at banks	29.570.783	56.766.860
-*Demand deposits*	*18.187.606*	*9.023.071*
-*Time deposits*	*11.383.177*	*47.743.789*
Receivables from reverse repurchase agreements	18.512.737	1.983.345
Credit card receivables	358	1.178.923
Receivables from Takasbank	508.310	2.798.550
Other	25.214	295.509
Cash and cash equivalents	**49.079.630**	**63.279.456**
Blocked deposits	(12.961.943)	(4.093.577)
Cash and cash equivalents for cash flow purposes	**36.117.687**	**59.185.879**

As at 31 December 2012 and 31 December 2011, maturities of time deposits comprised the following:

	31 December 2012	31 December 2011
Up to 1 month	9.839.401	36.824.384
1-3 months	1.543.776	10.919.405
	11.383.177	**47.743.789**

As at 31 December 2012 and 31 December 2011, the range of time deposit interest rates included in cash and cash equivalents is as follows:

	31 December 2012	31 December 2010
TL time deposit interest rate (highest)	9,25%	11,75%
TL time deposit interest rate (lowest)	5,00%	6,00%
USD denominated time deposit interest rate (highest)	-	5,00%
USD denominated time deposit interest rate (lowest)	-	1,55%

As at 31 December 2012, cash at banks amounting to TL 1.911.000 (31 December 2011: TL 2.248.849) is blocked due to bank borrowings and letters of guarantee by the banks. Cash at banks amounting to TL 358 (31 December 2011: TL 1.178.923) comprises credit card receivables and TL 318.973 of other receivables which are blocked at banks until their maturities. As at 31 December 2012, TL 10.731.612 deposited at the ISE Settlement and Custody Bank ("Takasbank") is blocked by the CMB (31 December 2011: TL 665.805).

Financial risk with respect to cash and cash equivalents are detailed in Note 34.

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

7 FINANCIAL INVESTMENTS

As at 31 December 2012 and 31 December 2011, the details of financial investments comprised the following:

Current assets	31 December 2012	31 December 2011
Financial assets held for trading	9.738.924	13.450.794
Total	**9.738.924**	**13.450.794**
Non current assets		
Financial assets available for sale	3.083.737	6.961.233
Total	**3.083.737**	**6.961.233**

a) Financial assets held for trading

	31 December 2012	31 December 2011
Debt securities	4.784.791	8.156.349
Equity securities	4.864.572	5.224.940
Investment funds participations	89.561	69.505
Total	**9.738.924**	**13.450.794**

All financial assets held for trading are financial assets at fair value through profit or loss. The changes in fair value of these assets are accounted for under the valuation differences of marketable securities, net in financial expenses in the consolidated statement of comprehensive income (Note 30). All the equity securities included in the financial assets held for trading are traded in active markets.

As at 31 December 2012, debt securities amounting to TL 5.099.167 (31 December 2011: TL 6.567.139) are subject to repurchase agreements.

As at 31 December 2012, government bonds amounting to TL 595.170 are pledged to the banks with respect to the letter of guarantees given to ISE (31 December 2011: TL 448.062). As at 31 December 2012, shares amounting to TL 3.238.660 are pledged with respect to the purchase debt securities (31 December: TL 3.456.000).

As at 31 December 2012, government bonds amounting to TL 363.806 are given to Turkish Derivative Exchange ("VOB") for transaction guarantee (31 December 2011: TL 12.784). As at 31 December 2012, government bonds amounting to TL 195.574 are pledged to the banks with respect to the financial liabilities (31 December 2011: None).

As at 31 December 2012 the Group's shares amounting to TL 22.405 are pledged for an ongoing lawsuit case.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2012 and 31 December 2011, the letters of guarantee given to the ISE, the ISE Settlement and Custody Bank, the Turkish Derivative Exchange and the Capital Market Board are explained in Note 21.

b) Financial assets available for sale

	31 December 2012	31 December 2011
Equity securities		
-Unquoted to an active market	3.083.737	6.961.233
Total	**3.083.737**	**6.961.233**

Details of shares which are not quoted in an active market comprised the following:

	31 December 2012		31 December 2011	
	Share ratio (%)	Book value	Share ratio (%)	Book value
Takas ve Saklama Bankası A.Ş.	0,83	2.750.000	2,35	6.163.548
Bakü Borsası	5,50	137.523	5,50	137.523
Torba (Note 2.1.d.iii)	80,00	80.000	80,00	80.000
Kentgaz (*) (Note 2.1.d.iii)	49,99	-	49,99	507.456
Other		116.214		72.706
Total		**3.083.737**		**6.961.233**

(*) EYH and its subsidiaries (except Naturelgaz, consolidated as joint venture) have been sold to STFA, with a sales value of USD 75.000.000, on 10 July 2012 and is excluded from the scope of consolidation from that date. The details have been explained in Note 36.

The Group recognized and measured the investments which are not quoted in active markets at cost. Financial risks with respect to financial investments are presented in Note 34.

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

8 FINANCIAL LIABILITIES

As at 31 December 2012 and 31 December 2011, financial liabilities comprised the following:

Short term financial liabilities	31 December 2012	31 December 2011
Short term bank loans	29.161.996	11.287.921
-TL Loans	*18.466.396*	*11.004.643*
-Foreign currency loans	*10.695.600*	*283.278*
Short term portion of long term bank loans	80.012.061	227.616.132
-TL Loans	*17.660.013*	*27.187.627*
-Foreign currency loans	*62.352.048*	*200.428.505*
Debt securities issued	2.602.770	2.440.825
Finance lease obligations	2.355.299	1.880.372
Total	**114.132.126**	**243.225.250**

Long term financial liabilities	31 December 2012	31 December 2011
Long term bank loans	153.645.190	178.040.037
-TL Loans	*12.236.496*	*22.148.031*
-Foreign currency loans	*141.408.694*	*155.892.006*
Debt securities issued	22.931.350	21.610.771
Finance lease obligations	4.229.250	2.705.715
Total	**180.805.790**	**202.356.523**

Maturity profile of long term bank loans and debt securities issued comprised the following:

Year	31 December 2012	31 December 2011
2013	-	72.453.393
2014	62.911.462	44.494.597
2015	48.710.580	50.125.645
2016 and after	64.954.498	32.577.173
Total	**176.576.540**	**199.650.808**

Maturity profile of finance lease obligations comprised the following:

	31 December 2012			31 December 2011		
	Future minimum lease payments	Interest	Present value of minimum lease payment	Future minimum lease payments	Interest	Present value of minimum lease payment
Less than one year	2.773.725	418.426	2.355.299	2.079.079	198.707	1.880.372
Between one and five years	4.779.926	550.676	4.229.250	2.884.593	178.878	2.705.715
Total	**7.553.651**	**969.102**	**6.584.549**	**4.963.672**	**377.585**	**4.586.087**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

					31 December 2012		
Loan Type	**Company Name**	**Currency**	**Maturity**	**Interest Type**	**Nominal Interest Rate %**	**Principal (TL)**	**Carrying Value (TL)**
Loans and issued debt securities used to finance investments and projects							
Debt securities issued (i)	Holding	USD	2017	Fixed	11%	25.645.085	25.645.085
Unsecured Loan (ii)	Holding	USD	2013	Floating	Libor +6,75%	10.431.128	10.466.030
Unsecured Loan (ii)	Holding	USD	2014	Floating	Libor +7%	4.468.649	5.525.958
Unsecured Loan (ii)	Holding	USD	2014	Floating	Libor + 7,50%	9.559.193	9.568.257
Secured Loan (ii)	Holding	USD	2016	Floating	Libor +7,50%	62.391.000	64.511.617
Unsecured Loan	Holding	TL	2015	Fixed	13,80%	99.258	99.258
Secured Loan (iii)	Ortadoğu Liman	USD	2016	Floating	Libor+4,95%	60.073.620	60.627.575
Secured Loan (iv)	Ortadoğu Liman	USD	2013	Fixed	7,25%	965.575	972.151
Secured Loan (v)	Ortadoğu Liman	USD	2016	Fixed	5,15%	5.347.800	5.409.171
Secured Loan (v)	Ortadoğu Liman	USD	2017	Floating	Libor+5,05%	10.027.125	10.053.126
Secured Loan	Ortadoğu Liman	TL	2013	Fixed	9,48%-10,68%	22.413	22.515
Secured Loan (vi)	Global Liman	USD	2017	Floating	Libor+4,95%	26.471.610	27.307.841
Secured Loan (vii)	Ege Liman	USD	2013	Floating	Libor+ 2,5%	3.310.543	3.320.240
Secured Loan	Ege Liman	USD	2016	Floating	Libor+ 5,05%	2.495.640	2.508.315
Secured Loan	Bodrum Liman	USD	2014	Fixed	7,95%	1.602.263	1.652.743
Secured Loan	Bodrum Liman	USD	2016	Fixed	7,75%	1.695.124	1.726.753
Secured Loan (viii)	Pera	TL	2013-2015	Fixed	12,48%-19,43%	36.638.886	39.842.025
Secured Loan	Naturel Gaz	TL	2013-2014	Fixed	14%-14,16%	1.570.174	1.570.174
						262.815.086	**270.828.834**
Loans used to finance working capital							
Unsecured Loan	Sem	TL	2013	Fixed	12,89%	6.555	6.555
Unsecured Loan	Naturel Gaz	TL	Rotative	Fixed	14%-16%	6.753.255	6.822.378
Unsecured Loan	Holding	USD	2013	Fixed	4,50%	10.695.600	10.695.600
						17.455.410	**17.524.533**
Finance Lease Obligations							
Leasing (ix)	Ortadoğu Liman	USD	2015	Fixed	5,9%	2.007.127	2.007.127
Leasing	Ortadoğu Liman	EURO	2013	Fixed	6 %- 8%	334.361	334.361
Leasing	Ege Liman	USD	2013	Fixed	8,3%	546.321	546.321
Leasing	Naturel Gaz	EURO	2017	Fixed	8,6%-10,30%	3.696.740	3.696.740
						6.584.549	**6.584.549**
						286.855.045	**294.937.916**

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

						31 December 2011	
Loan Type	**Company Name**	**Currency**	**Maturity**	**Interest Type**	**Nominal Interest Rate %**	**Principal (TL)**	**Carrying Value (TL)**
Loans and issued debt securities used to finance investments and projects							
Loan participation notes (i)	Holding	USD	2012	Fixed	9,25%	114.593.896	118.743.348
Debt securities issued (i)	Holding	USD	2017	Fixed	11%	24.030.481	24.051.596
Unsecured Loan (ii)	Holding	USD	2013	Floating	Libor + 6,75%	21.546.345	21.614.687
Unsecured Loan (ii)	Holding	USD	2014	Floating	Libor +7%	9.255.610	9.470.461
Secured loan (iii)	Ortadoğu Liman	USD	2016	Floating	Libor+ 4,95%	74.233.770	74.927.783
Secured loan (iv)	Ortadoğu Liman	USD	2013	Fixed	7,25%	3.069.463	3.092.129
Secured loan (v)	Ortadoğu Liman	USD	2016	Fixed	5,15%	7.083.375	7.166.783
Secured loan (v)	Ortadoğu Liman	USD	2017	Floating	Libor+ 5,05%	12.986.188	13.021.459
Secured loan	Ortadoğu Liman	TL	2013	Fixed	9,48%-10,68%	183.921	184.549
Secured Loan (vi)	Global Liman	USD	2017	Floating	Libor+ 4,95%	31.450.185	32.443.851
Secured Loan (vii)	Ege Liman	USD	2013	Floating	Libor+ 2,5%	10.523.872	10.550.770
Secured loan	Ege Liman	USD	2018	Floating	Libor+ 5,05%	3.400.020	3.415.681
Secured loan	Bodrum Liman	USD	2014	Fixed	7,95%	2.081.119	2.525.232
Secured loan	Bodrum Liman	USD	2016	Fixed	7,75%	1.796.208	2.263.434
Secured Loan (viii)	Pera	TL	2013-2014	Fixed	12,48%-18,51%	46.063.978	49.104.940
Secured Loan (x)	EYH's subsidiaries and joint ventures	USD	2012-2016	Fixed	7,30%-8,5%	49.694.199	51.175.200
Unsecured Loan	EYH's subsidiaries and joint ventures	EURO	2012	Floating	Euribor+ 2%	222.120	226.604
Unsecured Loan	EYH's subsidiaries and joint ventures	EURO	2012	Fixed	3,87%	542.960	547.619
Unsecured Loan	EYH's subsidiaries and joint ventures	USD	2016	Fixed	8,73%	5.353.204	5.418.748
						418.110.914	**429.944.874**
Loans used to finance working capital							
Unsecured Loan	Holding	TL	2012	Fixed	14,90%	10.609.213	10.609.213
Unsecured Loan	Bodrum Liman	TL	Rotative	Fixed	16%	100.000	100.000
Unsecured Loan	Sem	TL	2013	Fixed	13%	13.657	13.657
Unsecured Loan	EYH's subsidiaries and joint ventures	TL	Rotative	Fixed	14,16%-18,38%	318.320	327.942
						11.041.190	**11.050.812**
Finance Lease Obligations							
Leasing (ix)	Ortadoğu Liman	USD	2015	Fixed	5,9%	2.865.806	2.865.806
Leasing	Ege Liman	USD	2012	Fixed	8,3%	1.671.347	1.671.347
Leasing	EYH's subsidiaries and joint ventures	EURO	2012	Fixed	8,59%	48.934	48.934
						4.586.087	**4.586.087**
						433.738.191	**445.581.773**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Detailed information related to the significant loans borrowed by the Group is as follows:

(i) The company has borrowed amounting to USD 100.000.000 long term loan with a 5 year maturity and an interest rate of 9,25% "loan participation notes" issued on 1 August 2007. The principal amount will be paid on maturity and interest is paid in January and July each year. On the day the loan was issued, a special purpose entity of the Group invested USD 25.000.000 in the notes, which were issued by Deutsche Bank Luxembourg SA. With subsequent repurchases on various dates, the amount of notes owned by the Group reached a nominal value of USD 26.860.300 as at 31 December 2010. The Group presented these notes acquired as a result of these transactions by netting off its investments in the notes and Group's loan participation notes in accordance with IAS 32.

As at 28 December 2011, the Group exchanged the portion of the aforementioned notes amounting to USD 39.333.000 with the new notes issued by the Company having a nominal amount of USD 40.119.000, a maturity date of 30 July 2017 and an interest rate of 11% p.a. Interest will be paid in January and July each year. Thus, as at 30 June 2012, the nominal value of the aforementioned loan participation notes is USD 60.556.700 (31 December 2011: USD 60.667.000). As at 30 June 2012, notes with a nominal value amounting to USD 110.300 has been repurchased by the Group. As of 31 July 2012, the loan participation notes has been closed by repayment of all interest and principal amounts.

As at 31 December 2011, the portion of the new notes issued by the Company (with a total amount of USD 40.119.000) amounting to USD 25.732.663 (31 December 2012: USD 25.715.000) are the notes held by the Company and a subsidiary of the Group. The Group presented these notes acquired as a result of these transactions by netting off its investments in the notes and Group's notes issued in accordance with IAS 32. As at 31 December 2012, the net nominal value (principal amount) of the issued new notes (presented as debt securities issued) is USD 14.386.337 (31 December 2011: USD 12.721.945).

The loan and debt security agreements include financial covenants, terms restricting indebtedness, sales of material assets, transactions with subsidiaries and mergers and acquisitions of Group companies.

(ii) The Company has borrowed a total of USD 18.900.000 in two tranches. The first tranche of USD 14.000.000 borrowed on 15 December 2010 has a term of three years and the maturity is 16 December 2013, with an interest rate of Libor+6,75%. Interest and principal are paid every six months (in June and December), following a grace period of 1 year for the principal. The remaining principal amount of the loan as at 31 December 2012 was USD 5.851.637.

The second tranche of USD 4.900.000 was borrowed on 9 March 2011 and the maturity is 10 March 2014, except for an interest rate of Libor+7%, all of the terms and conditions are same as the first tranche. The remaining principal amount of the loan as at 31 December 2012 was USD 2.506.815.

The Company has borrowed a total of USD 5.500.000, with an interest rate of Libor+7,5% and four year maturity on 27 June 2012. Interest and principal are paid every six months (in June and December) and have a maturity date of 27 June 2017. The remaining principal amount of the loan as at 31 December 2012 was USD 5.362.500.

The Company has borrowed a total of USD 35.000.000, with an interest rate of Libor+7,5% and four year maturity on 27 July 2012. Interest and principal are paid every six months (in January and July) and have a maturity date of 27 July 2016.

(iii) In 2006, Ortadoğu Liman entered into a loan agreement amounting to USD 40.000.000 in total with a 10-year maturity. The interest rate was Libor+2,90%. Starting from 29 July 2010, the interest rate was amended to Libor+4,95%. The remaining principal amount of the loan as at 31 December 2012 was USD 25.200.000 (31 December 2011: USD 30.000.000). Principal and interest are paid at the end of April and October of each year. Security for the loan includes all of the borrower's rights under the Antalya Port TOORA, the proceeds under business interruption insurance relating to the port, a pledge of the borrower's collections and other accounts, a pledge over the shares of the borrower and an assignment of receivables under the port's rent agreements. The loan agreement imposes financial covenants on Ortadoğu Liman, and includes terms restricting financing activities, investments, dividend payments, sales of assets, and mergers and acquisitions.

On 12 August 2010, under the amended loan agreement, Ortadoğu Liman raised an additional loan amounting to USD 10 million with the same conditions as the previous loan agreement. The remaining principal amount of the loan as at 31 December 2012 was USD 8.500.000 (31 December 2011: USD 9.300.000).

(iv) Ortadoğu Liman entered into a loan agreement on 24 May 2007, amounting to USD 6.500.000 in total with a 6-year maturity. The interest rate is 7,25%. The remaining principal amount of the loan as at 31 December 2012 was USD 541.667 (31 December 2011: USD 1.721.902). There is a pledge over the property, plant and equipment of Ortadoğu Liman given to the lender as collateral for the loan.

(v) Ortadoğu Liman entered into a loan agreement on 13 October 2010, amounting to USD 4.500.000 in total with a 6-year maturity for the purpose of financing the purchase of a mobile harbour crane. The interest rate is 5,15%. A total principal amount of USD 1.500.000 has been paid in 2012 and 2011. Under the loan agreement, in the event of default, the harbour crane and other machinery purchased with the loan has been pledged to the lender. Moreover, Ortadoğu Liman entered into a loan agreement on 14 June 2011, amounting to USD 7.500.000 in total with a 6 year maturity. Principal and interest are paid every 6 months. The interest rate is Libor+5,05%. A total principal amount of USD 1.875.000 has been paid in 2011 and 2012. There is a pledge over the property, plant and equipment in relation to the loan.

vi) Global Liman entered into a loan agreement amounting to USD 35.000.000 in total on 20 July 2010 with a 7-year maturity and an interest rate of Libor+4,95%. Principal and interest are paid at the end of June of each year. USD 17.000.000, USD 1.350.000 and USD 1.800.000 have been repaid on 12 August 2010, in 2011 and 2012, respectively. Under this loan agreement, in the event of default, the shares of Ege Liman and Ortadoğu Liman have been pledged in accordance with a share pledge agreement.

(vii) As at 31 December 2012, the foreign currency loan amounting to USD 1.857.143 (31 December 2011: USD 5.571.429) represents the bank loan granted to Ege Liman on 15 June 2006, with a 7-year maturity. Principal and interest are paid in November and May each year. 100% of Ege Liman's shares, which are owned by Global Liman and RCCL, have been pledged to the lender as collateral for the loans pursuant to an agreement dated 25 May 2006. Under the loan agreement, in the event of default, the cash generated from the company's rent income must be pledged to the lender and bank accounts will be blocked. The loan agreement imposes various financial covenants on Ege Liman.

(viii) As at 31 December 2012, the TL loans amounting to TL 39.842.025 (31 December 2011: TL 49.104.940) represent the three-year maturity loans borrowed by Pera. The payment schedules generally include no principal and interest payment in the first year. The monthly interest payments will start after the first year and monthly principal payments after the eighteenth month. As a guarantee for this loan, the land in Denizli Sümer Mahallesi and shopping mall project in Denizli were given as a mortgage in favour of the lender.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(ix) On 27 August 2010, Ortadoğu Liman has signed a finance lease agreement with the expiry date of 4 September 2015 and interest rate of 5,9% for the purchase of a port tugboat.

(x) The foreign currency loans amounting to TL 51.175.200 represent the 5-year maturity loans granted to EYH's subsidiaries in accordance with an agreement with a bank on 23 April 2007. An amendment protocol to the existing agreement was entered into on 30 August 2010. The loans do not include any repayment in the first year. Principal and interest are paid semi-annually in the subsequent four years. The shares of some of the subsidiaries of Energaz are pledged against the loans. Security under the loan includes a pledge of the guarantor's shares in each borrower and the pledge of revenues of some of the subsidiaries of Energaz (e.g., subscription fees, gas sales margins and any other receivables in the event of the sale of the distribution grid by EMRA). In addition, the loan agreement includes restrictions on financing activities, dividend payments, sales of assets and mergers with other companies. This loan has been excluded from the Group's financial liabilities since EYH and its subsidiaries (except Naturelgaz) have been sold on 10 July 2012.

A summary of other guarantees with respect to the loans are presented in Note 21.

The details of the financial risks with respect to financial liabilities are presented in Note 34.

9 OTHER FINANCIAL LIABILITIES

As at 31 December 2012 and 31 December 2011, the details of the Group's interest swap agreements comprised the following:

Interest swaps:

	31 December 2012		31 December 2011	
	Nominal Amount	Maturity	Nominal Amount	Maturity
USD	1.000.000	25 May 2013	25.000.000	31 July 2012
USD	1.000.000	25 May 2013	3.000.000	25 May 2013
USD			3.000.000	25 May 2013

	31 December 2012	31 December 2011
Fair value of interest swaps	47.835	2.062.711
	47.835	**2.062.711**

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

10 TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables

As at 31 December 2012 and 31 December 2011, trade receivables-short-term other than from related parties comprised the following:

	31 December 2012	31 December 2011
Receivables from customers	14.293.134	16.428.859
Doubtful receivables	6.875.430	7.521.735
Allowance for doubtful receivables	(6.875.430)	(7.481.428)
Other	839.256	662.173
Total	**15.132.390**	**17.131.339**

The movement of the allowance for doubtful trade receivables during the years ended 31 December 2012 and 31 December 2011 comprised the following:

	2012	2011
Balance at the beginning of the period (1 January)	(7.481.428)	(4.950.031)
Allowance for the period	(1.190.997)	(2.726.883)
Written-off during the period	(25.167)	38.728
Cancellation of allowances and collections	164.927	478.169
Acquisition through business combination	(387.821)	(321.946)
Exclusion from scope of consolidation	2.045.056	-
Currency translation differences	-	535
Balance at the end of the period (31 December)	**(6.875.430)**	**(7.481.428)**

The expenses related to the allowance for doubtful receivables are presented in net under general administrative expenses.

Long-term trade receivables

As at 31 December 2012 and 2011, the Group does not have any long-term trade receivable.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Short term trade payables

As at 31 December 2012 and 31 December 2011, short-term trade payables other than due to related parties comprised the following:

	31 December 2012	31 December 2011
Payables to suppliers (*)	9.559.916	60.644.633
Payables to customers	3.091.577	-
Notes payable	224.136	-
Other	11.828	247.068
Total	**12.887.457**	**60.891.701**

(*) A significant portion of the payables to suppliers consists of the payables to natural gas suppliers of the joint ventures of the Group which operate in natural gas distribution sector. These joint ventures (except Naturelgaz) were sold on 10 July 2012.

Long-term trade payables

As at 31 December 2012, all of the long-term trade payables amounting to TL 298.898 consist of payables to suppliers (31 December 2011: None).

The financial risks related to trade receivables and payables are presented in Note 34.

11 OTHER RECEIVABLES AND PAYABLES

Short-term other receivables

As at 31 December 2012 and 31 December 2011, other short-term receivables other than due from related parties comprised the following:

	31 December 2012	31 December 2011
Reimbursement receivables from Baskent Dogalgaz lawsuit (Note 20)	43.085.442	-
Receivables from STFA (*)	30.304.200	-
Receivables from Ada Metal (Note 36)	3.935.291	3.964.678
Deposits and advances given	1.125.256	223.558
Recievables from subsidiaries' and joint ventures' other shareholders	15.753	1.502.831
Value added tax receivable	-	406.179
Other	1.577.879	726.651
Total	**80.043.821**	**6.823.897**

(*) Receivables from STFA comprise undue receivables from the sales of EYH and its subsidiaries (Note 36).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Long-term other receivables

As at 31 December 2012 and 31 December 2011, other long-term receivables other than due from related parties comprised the following:

	31 December 2012	31 December 2011
Receivables from Bilecik Demir Çelik (Note 36)	3.400.841	3.140.463
Deposits and advances given (*)	1.516.411	3.026.461
Receivables from Ada Metal (Note 36)	1.104.543	1.020.702
Receivables from Udaş Uşak Doğalgaz Dağıtım A.Ş.	1.023.148	1.023.148
Other	513.698	512.889
Total	**7.558.641**	**8.723.663**

(*) Long-term deposits and advances given amounting to TL 216.674 consist of deposits given to the bank for derivative transactions (31 December 2011: TL 2.400.525).

Short-term other payables

At 31 December 2012 and 31 December 2011, other short-term payables other than due to related parties comprised the following:

	31 December 2012	31 December 2011
Notes payable (*)	16.043.400	-
Due to subsidiaries' and joint ventures' other shareholders (**)	15.605.166	47.049.757
Taxes payable and social security contributions	5.240.601	3.988.778
Payables related to security purchases	4.963.897	3.681.897
Tax amnesty obligations	2.905.789	2.613.585
Payables to personnel	1.664.940	1.159.004
Deposits and advances received	524.383	469.388
Other	1.182.603	2.384.520
Total	**48.130.779**	**61.346.929**

(*) The amount comprised the notes given regarding the purchase of shares held by Rudolf Ruben Goldenberg, Lusi Aşer Goldenberg and Altındağ Yatırım Mümessillik ve Ticaret A.Ş., corresponding to 30% of Naturelgaz as explained in detail in Note 3 which will be paid in some specific instalments.
(**) As at 31 December 2011, a significant portion of the balance was composed of the funds given by the other shareholders of the EYH and its subsidiaries operating in the natural gas distribution sector to provide the equity contribution of the investments. These companies have been sold on 10 July 2012.

Long-term other payables

At 31 December 2012 and 31 December 2011, other long-term payables other than due to related parties comprised the following:

	31 December 2012	31 December 2011
Tax amnesty obligations	988.709	3.952.156
Deposits and advances received (*)	-	47.774.219
Total	**988.709**	**51.726.375**

(*) As at 31 December 2011, the deposits and advances received consist of the security deposits received by the joint ventures of the Group operating in the natural gas distribution sector from their subscribers to guarantee the future receivables. As at 10 July 2012, the related amount has been excluded from Group's liabilities due to the sale of EYH and its subsidiaries.

The details of the financial risks related to the other receivables and payables are presented in Note 34.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

12 RECEIVABLES FROM AND LIABILITIES DUE TO OPERATIONS IN FINANCE SECTOR

As at 31 December 2012 and 31 December 2011, short-term receivables from operations in finance sector other than due from related parties comprised the following:

Current trade receivables from finance sector	31 December 2012	31 December 2011
Receivables from customers	46.018.546	29.795.397
Receivables from money market	6.129.878	2.850.000
Doubtful receivables	1.260.806	1.261.852
Allowance for doubtful receivables	(1.260.806)	(1.261.852)
Other trade receivables	83.870	102.884
Total	**52.232.294**	**32.748.281**

The movement of the allowance for doubtful receivables from operations in finance sector (other than due from related parties) during the years ended 31 December 2012 and 31 December 2011 comprised the following:

	2012	2011
Balance at the beginning of the period (1 January)	(1.261.852)	(1.283.303)
Cancellation of allowances and collections	1.046	1.687
Transfer to assets classified as held for sale	-	19.764
Balance at the end of the period (31 December)	**(1.260.806)**	**(1.261.852)**

As at 31 December 2012 and 31 December 2011, long-term receivables from operations in finance sector other than due from related parties comprised the following:

Non-current trade receivables from finance sector	31 December 2012	31 December 2011
Receivables from customers	-	1.888.900
Total	**-**	**1.888.900**

As at 31 December 2012 and 31 December 2011, short-term liabilities due to operations in finance sector comprised the following:

	31 December 2012	31 December 2011
Payables to money market	37.668.000	12.850.000
Funds provided from repo transactions	5.099.166	6.567.139
Payables to customers	3.437.037	4.718.802
Payables to suppliers	315.093	24.304
Funds provided from bank loans	2.718.716	-
Other	1.644	689
Total	**49.239.656**	**24.160.934**

The details of the financial risks related to receivables from and liabilities due to operations in finance sector are presented in Note 34.

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

13 INVENTORY

As at 31 December 2012 and 31 December 2011, inventories comprised the following:

	31 December 2012	31 December 2011
Trading properties (*)	26.338.469	29.603.354
Raw materials	1.490.340	106.410
Commercial goods	94.290	237.440
Total	**27.923.099**	**29.947.204**

(*) The details of trading properties are as follows:

	31 December 2012	31 December 2011
Balance at the beginning	29.603.354	-
Addition	8.170.084	10.498.354
Disposal	(11.434.969)	-
Transfer from investment properties	-	19.105.000
	26.338.469	**29.603.354**

As at 31 December 2012 and 31 December 2011, the Group's land classified as inventory composed of the land plots on which residential flats started to be built in 2011 in the scope of the residential project in Denizli. They were transferred from invesment property to inventories in 2011. The land is located in Denizli, Plot 6224, Parcel numbered 1.

As at 31 December 2012 and 2011, the Group's construction projects under development and in progress contain the capitalized costs of the residential units started to be constructed in 2011 in Denizli. The first phase, consisting 154 residential apartments and two blocks of a total 608 residential units planned housing project, have been completed.

As at 31 December 2012 borrowing costs amounting to TL 1.568.483 have been capitalised in the cost of the Group's inventory (31 December 2011: TL 1.125.008) and fees amounting to TL 1.127.460 for the 2nd stage of the residential units.

As at 31 December 2012, the mortgage or pledge on the inventory of the Group is explained in Note 21. As at 31 December 2012 the Group accounted for inventory allowance amounting to TL 72.916 (31 December 2011: 31.253).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

14 INVESTMENTS IN ASSOCIATES

As at 31 December 2012, the details of financial statements related to equity accounted investees are as follows:

Subsidiaries	Participation rates	Assets	Liabilities	Net Profit/(Loss) For the Period (*)
Global Portföy	%39,97	3.403.382	371.929	(1.577.623)

(*) It includes the net profit/(loss) for the period between 28 February 2012 (becoming an associate of Global Portföy) and 31 December 2012.

As at 31 December 2012, the movement of equity accounted investees is as follows:

	2012	2011
Balance at the beginning of the period (1 January)	**-**	**-**
Becoming an associate of Global Portföy due to the transfer of shares to Azimut (Note 36)	1.842.397	-
Net profit/(loss)	(630.576)	-
Change in revaluation fund	(149)	-
Balance at the end of the period (31 December)	**1.211.672**	**-**

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

15 INVESTMENT PROPERTY

Movements of investment property during the years ended 31 December 2012 and 31 December 2011 are as follows:

	1 January 2012	Additions	Valuation difference (Note 28.1)	Disposal	31 December 2012
Land	28.266.246	–	2.028.999	–	30.295.245
Operating investment property	167.613.234	559.073	2.438.096	(2.990.403)	167.620.000
Total	**195.879.480**	**559.073**	**4.467.095**	**(2.990.403)**	**197.915.245**

	1 January 2011	Additions	Valuation difference (Note 28.1)	Transfer (*)	31 December 2011
Land	45.825.246	–	1.546.000	(19.105.000)	28.266.246
Operating investment property	–	–	2.463.234	165.150.000	167.613.234
Construction in progress	161.855.086	3.294.914	–	(165.150.000)	–
Total	**207.680.332**	**3.294.914**	**4.009.234**	**(19.105.000)**	**195.879.480**

(*) Transffered to the inventories.

As at 31 December 2012 and 2011, additions are related to the construction in progress.

Invesntment property consists of Sümerpark AVM and lands in Denizli and Van.

The project which is to be realized upon the land of the Group located in Denizli/Turkey includes a shopping mall, residential flats, a hotel and a hospital.

Operating investment property/Construction in progress – Sümerpark Shopping Mall ("Sümerpark AVM")

Sümerpark AVM, has been officially opened on 12 March 2011 after the construction is finished and has been transferred from the construction in progress to the operating investment property of this date.

As at 31 December 2012, the fair value of the Sümerpark AVM has been measured by an independent real estate appraisal company, having the authorization license of CMB.

As of 31 December 2012 and 2011, the supermarket within the shopping center is registered as the lessee in the land registry records for 20 years.

Rent revenues from the investment property and direct operating costs are disclosed as real estate rent revenues and costs of real estate rent revenues in Note 25.

The mortgages on the investment properties are presented in Note 21.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Land

As at 31 December 2012 and 31 December 2011, the fair values of the land plots of the Group are presented below:

	31 December 2012	31 December 2011
Denizli land (Hotel and hospital) (*)	14.244.999	12.216.000
Van land (**)	16.050.246	16.050.246
	30.295.245	**28.266.246**

(*) These land plots of the Group in Denizli include the plots on which the Group plans to build residential flats, a hospital and a hotel and is located in Denizli Sümer Mahallesi. The land plot, located in Denizli, Plot # 6224 Parcel # 1 is allocated to a residential flat project.This plot has been transferred to inventory in 2011 as the construction of the residential units project started in 2011. The land plots, located in Denizli, Plot #6227 Parcel 1 and Plot #6225 Parcel 1 will include the hospital and hotel projects. As at 31 December 2012, the construction of the projects has not commenced yet. The fair values of these land plots have been determined according to the revaluation reports dated 17 December 2012 (using the market approach method) prepared by an independent real estate apprasial company, which has the authorization licence of CMB.

As at 31 December 2011, the fair values of the aforementioned land plots have been determined according to the revaluation report prepared by an independent real estate appraisal company, which has the authorization license of CMB based on the report dated 30 December 2011 (using the market approach method).

(**) The details related to Van Land are presented below:

The Group has 16,611 m^2 area of land in Van province of Turkey acquired for the purpose of capital appreciation.

The fair value of the land as at 31 December 2012 and 2011 has been determined according to the revaluation report prepared by an independent real estate appraisal company, which has the authorization license of CMB. In accordance with the expertise reports dated 27 December 2012 and 30 December 2011, the market value of the land has been determined as TL 16.050.246 by using the value based on the cost approach as explained in detail below.

As explained in Note 20.2.ix, the uncertainty of the legal process related to the tender of Van land and the zoning plan is continuing. However, in accordance with the content of the sale agreement signed with the Municipality of Van and anticipation of the Group's lawyers with respect to this uncertainty all the costs incurred by the Group in relation to the land are secured. Even though it is clear in the agreement that all such costs are secured, the appraisal company chose to be on the safe side and determined the value of the property as the acquisition (tender) value only. The Group had acquired the land from the Municipality of Van for a price of TL 16.050.246. The market value of the land has been determined as TL 16.050.246 by using the cost approach based on the minimum cost which is the acquisition price.

The appraisal company, stated in its report that it is appropriate to determine the value of the land as TL 16.056.246 TL considering that the market prices of the similar properties around the same location are not accessible because of the recent severe earthquake in the town, that the market value of the land cannot be foreseen reliably because of the expected new construction conditions, that determining the market value of the land by using general accepted revaluation methods may result in incorrect values -taking the purpose of the valuation into consideration- because of the extraordinary conditions in Van and that the acquisition value and all additional costs of the land are guaranteed under the articles of the sale agreement signed with Municipality of Van, the previous owner of the land.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

16 PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the year ended 31 December 2012 is as follows:

	Land	Land improvements	Buildings	Machinery and equipment	Motor Vehicles	Furniture and fixtures	Leasehold improvements	Other fixed assets	Construction in progress	Total
1 January 2012										
Cost	861.992	542.313	13.421.623	77.479.376	17.133.992	16.844.232	60.573.752	-	14.556.870	201.414.150
Accumulated depreciation	-	(3.205)	(1.898.553)	(35.466.627)	(4.593.658)	(8.731.076)	(17.859.252)	-	-	(68.552.371)
Net book value	**861.992**	**539.108**	**11.523.070**	**42.012.749**	**12.540.334**	**8.113.156**	**42.714.500**	**-**	**14.556.870**	**132.861.779**
Additions	176.779	27.237	209.270	3.110.864	2.199.611	3.615.877	980.484	303.050	6.050.782	16.673.954
Current period depreciation	-	(14.586)	(276.094)	(4.939.528)	(1.380.680)	(1.250.404)	(3.905.196)	-	-	(11.766.488)
Disposals	-	-	-	(18.342)	(221.606)	(54.319)	-	-	-	(294.267)
Transfer	-	-	212.053	-	-	-	9.611.081	-	(9.823.134)	-
Currency translation differences	-	(53)	-	(2.192.692)	(635.870)	(81.947)	(2.403.669)	-	(427.160)	(5.741.391)
Exclusion from scope of consolidation [(i)]	(17.496)	-	-	(270.646)	(194.439)	(775.358)	(630.410)	-	-	(1.888.349)
Effect of acquisition [(ii)]	1.225.748	895.134	229.907	3.039.035	1.772.912	7.294.994	81.016	-	321.054	14.859.800
Effect of valuation difference of shares before acquisition	622.018	203.581	-	715.341	(357.182)	166.099	-	-	-	1.349.856
Net book value at the end of the period	**2.869.041**	**1.650.421**	**11.898.206**	**41.456.781**	**13.723.080**	**17.028.098**	**46.447.806**	**303.050**	**10.678.412**	**146.054.895**
31 December 2012										
Cost	2.869.041	1.673.331	14.075.404	80.522.866	18.881.996	25.668.090	67.117.006	303.050	10.678.411	221.789.195
Accumulated depreciation	-	(22.910)	(2.177.198)	(39.066.085)	(5.158.916)	(8.635.432)	(20.673.759)	-	-	(75.734.300)
Net book value	**2.869.041**	**1.650.421**	**11.898.206**	**41.456.781**	**13.723.080**	**17.032.658**	**46.443.247**	**303.050**	**10.678.411**	**146.054.895**

[(i)] Exclusion from scope of consolidation is about sales of EYH on 10 July 2012.

[(ii)] The effect of acquisition of shares of Naturelgaz, corresponding to 30% shareholding and the revaluation effect of previously held shareholding,corresponding to 25% (Note 3).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Movements of property, plant and equipment for the year ended 31 December 2011 is as follows:

	Land	Land improvements	Buildings	Machinery and equipment	Motor Vehicles	Furniture and fixtures	Leasehold improvements	Other fixed assets	Construction in progress	Total
1 January 2011										
Cost	320.725	192.593	16.378.176	67.560.748	13.482.921	10.970.395	47.445.497	4.864	4.489.371	160.845.290
Accumulated depreciation	-	(5.620)	(1.730.525)	(30.005.172)	(2.938.608)	(7.761.601)	(12.511.729)	(1.114)	-	(54.954.369)
Net book value	**320.725**	**186.973**	**14.647.651**	**37.555.576**	**10.544.313**	**3.208.794**	**34.933.768**	**3.750**	**4.489.371**	**105.890.921**
Additions (i)	-	-	190.050	13.163.409	657.254	2.228.657	3.264.004	-	10.167.507	29.670.881
Current period depreciation	-	(10.924)	(314.748)	(4.606.162)	(1.241.592)	(1.101.587)	(3.408.890)	(639)	-	(10.684.542)
Disposals	(36.578)	(33.689)	(24.608)	(921)	(50.342)	(91.877)	-	-	(71)	(238.086)
Transfer (v)	-	-	-	40.664	-	-	457.365	-	(408.036)	89.993
Currency translation differences	-	-	-	5.136.477	2.117.067	166.080	8.071.219	-	250.159	15.741.002
Effect of acquisition (ii)	881.074	581.121	225.207	1.940.341	524.966	3.744.574	-	-	79.861	7.977.144
Exclusion from scope of consolidation (iii)	(303.229)	(184.373)	(3.200.482)	(11.216.635)	(11.332)	(35.181)	(602.966)	(3.111)	(21.921)	(15.579.230)
Transfer from assets held for sale (iv)	-	-	-	-	-	(6.304)	-	-	-	(6.304)
Net book value at the end of the period	**861.992**	**539.108**	**11.523.070**	**42.012.749**	**12.540.334**	**8.113.156**	**42.714.500**	**-**	**14.556.870**	**132.861.779**
31 December 2011										
Cost	861.992	542.313	13.421.623	77.479.376	17.133.992	16.844.232	60.573.752	-	14.556.870	201.414.150
Accumulated depreciation	-	(3.205)	(1.898.553)	(35.466.627)	(4.593.658)	(8.731.076)	(17.859.252)	-	-	(68.552.371)
Net book value	861.992	539.108	11.523.070	42.012.749	12.540.334	8.113.156	42.714.500	-	14.556.870	132.861.779

(i) A significant portion of the additions is composed of the capital expenditures incurred by subsidiaries of the Group in the infrastructure segment.
(ii) Effect of acquisition includes the tangible assets added by acquisition of Naturelgaz and İzmir Liman in 2011 (Note 3).
(iii) Includes the tangible assets which are excluded from the scope of consolidation as Bilecik Demir Çelik was sold in 2011 (Note 36).
(iv) Includes the tangible assets of Global Portföy which is held for sale (Note 36).
(v) The amount of TL 89.993 is transferred from the concession intangible assets to the leasehold improvements under the property, plant and equipment.

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

As at 31 December 2012 and 2011, no finance costs have been capitalized under property, plant and equipment.

According to the transfer of operational rights agreements ("TOORA") of Ege Liman and Ortadoğu Liman, subsidiaries of the Group and the Build-Operate-Transfer ("BOT") tender agreement of Bodrum Liman, at the end of the agreement periods, fixed assets with their capital improvements will be returned as running, clean, free of any liability and free of charge.

Pledges on the property, plant and equipment related to loans are presented in Note 8.

Other mortgage and pledges related to property plant and equipment are presented in Note 21.

As at 31 December 2012 and 31 December 2011, the net book values of the leased assets in property, plant and equipment are as follows:

	31 December 2012	31 December 2011
Furniture and fixtures	10.682.178	782.254
Motor vehicles	8.028.865	6.237.940
Machinery and equipment	7.685.750	5.047.849
Land improvements	83.689	-
Buildings	13.608	1.856
	26.494.090	**12.069.899**

The depreciation expenses related to the Group's property and equipment are accounted for under the cost of sales, selling, marketing and distribution expenses and general administrative expenses in the consolidated statement of comprehensive income (Note 27).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

17 CONCESSION INTANGIBLE ASSETS

Movements of concession intangible assets for the years ended 31 December 2012 and 31 December 2011 are as follows:

	2012	2011
Balance at the beginning of the period (1 January)		
Cost	175.360.720	146.930.054
Accumulated amortisation	(19.173.682)	(13.804.253)
Net book value	**156.187.038**	**133.125.801**
Additions	12.716.077	28.649.555
Current year amortisation	(3.314.504)	(5.374.801)
Disposals	-	(123.524)
Exclusion from scope of consolidation (*)	(165.588.611)	-
Transfer	-	(89.993)
Net book value at the end of period	**-**	**156.187.038**
Balance at the end of the period (31 December)		
Cost	-	175.360.720
Accumulated amortisation	-	(19.173.682)
Net book value	**-**	**156.187.038**

(*) EYH and its subsidiaries (except Naturelgaz) were sold on 10 July 2012.

Concession intangible assets of the Group consist of concession intangible assets of Energaz and its subsidiaries.

As at 31 December 2011, total capitalized finance expenses in additions are amounting to TL 2.250.447. The capitalization rate for the period ending 31 December 2011 is between 0,26% and 8,79%.

The amortization expenses related to the Group's concession intangible assets are accounted for under the cost of sales in the consolidated statement of comprehensive income.

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

Movements of intangible assets for the years ended 31 December 2012 and 31 December 2011 are as follows

	Rights	Software	Port operation rights	Customer relationships	HEPP License	Naturel gas licenses (i)	Total
1 January 2012							
Cost	8.009.348	2.414.235	619.120.675	7.092.044	50.672.736	7.385.104	**694.694.142**
Accumulated amortisation	(6.053.153)	(1.451.578)	(59.259.059)	(2.068.512)	-	(178.473)	**(69.010.775)**
Net book value	**1.956.195**	**962.657**	**559.861.616**	**5.023.532**	**50.672.736**	**7.206.631**	**625.683.367**
Additions	122.769	24.656	-	-	-	-	**147.425**
Current period amortisation	(464.098)	(213.223)	(31.686.724)	(560.841)	-	(292.511)	**(33.217.397)**
Exclusion from scope of consolidation (ii)	-	(417.819)	-	-	-	-	**(417.819)**
Currency translation differences	(1.004)	(534)	(31.422.548)	(278.162)	-	-	**(31.702.248)**
Effect of acquisition (iii)	-	31.630	-	-	-	21.356.275	**21.387.905**
Effect of valuation difference of shares before acquisition	-	-	-	-	-	10.895.528	**10.895.528**
Net book value at the end of period	**1.613.862**	**387.367**	**496.752.344**	**4.184.529**	**50.672.736**	**39.165.923**	**592.776.761**
31 December 2012							
Cost	8.002.643	614.135	584.307.453	6.694.377	50.672.736	39.636.941	**689.928.285**
Accumulated amortisation	(6.388.781)	(226.768)	(87.555.109)	(2.509.848)	-	(471.018)	**(97.151.524)**
Net book value	**1.613.862**	**387.367**	**496.752.344**	**4.184.529**	**50.672.736**	**39.165.923**	**592.776.761**

(i) The natural gas licences include the CNG transmission and sales licenses of Naturelgaz in İzmir, Bursa and Adapazarı regions.
(ii) EYH and ist subsidiaries (except Naturelgaz) has been sold in 10 July 2012, therefore the related amount has excluded from the scope of consolidation (Note 36).
(iii) The effect of acquisition of shares of Naturelgaz, corresponding to 30% shareholding and the revaluation effect of previously held shareholding corresponding to 25% (Note 3).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	Rights	Software	Port operation rights	Customer relationships	HEPP License	Naturel gas licenses [i]	Total
1 January 2011							
Cost	7.483.968	2.140.858	506.729.082	5.804.595	50.672.736	-	**572.831.239**
Accumulated amortisation	(5.833.939)	(1.036.207)	(21.250.965)	(1.209.290)	-	-	**(29.330.401)**
Net book value	**1.650.029**	**1.104.651**	**485.478.117**	**4.595.305**	**50.672.736**		**543.500.838**
Additions	298.695	256.210	-	-	-	-	**554.905**
Current period amortisation	(462.289)	(408.274)	(29.537.115)	(522.783)	-	(178.473)	**(31.108.934)**
Disposals	5.971	(6.054)	-	-	-	-	**(83)**
Effect of acquisition [ii]	-	9.951	-	-	-	7.385.104	**7.395.055**
Exclusion from scope of consolidation [iii]	(5.119)	-	-	-	-	-	**(5.119)**
Currency translation differences	468.908	6.173	103.920.614	951.010	-	-	**105.346.705**
Net book value at the end of period	**1.956.195**	**962.657**	**559.861.616**	**5.023.532**	**50.672.736**	**7.206.631**	**625.683.367**
31 December 2011							
Cost	8.009.348	2.414.235	619.120.675	7.092.044	50.672.736	7.385.104	**694.694.142**
Accumulated amortisation	(6.053.153)	(1.451.578)	(59.259.059)	(2.068.512)	-	(178.473)	**(69.010.775)**
Net book value	**1.956.195**	**962.657**	**559.861.616**	**5.023.532**	**50.672.736**	**7.206.631**	**625.683.367**

[i] The natural gas licences include the CNG transmission and sales licenses of Naturelgaz in İzmir, Bursa and Adapazarı regions.
[ii] Includes the intangible assets resulted from the acquisition of Naturelgaz and İzmir Liman in 2011 (Note 3).
[iii] Includes the intangible assets which are excluded from the scope of consolidation since Bilecik Demir Çelik was sold in 2011 (Note 36).

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

19 GOODWILL

During the years ended 31 December 2012 and 31 December 2011, movement of goodwill is as follows:

	31 December 2012	31 December 2011
1 January	42.610.644	35.550.270
Currency translation differences	(1.367.063)	7.060.374
31 December 2012	**41.243.581**	**42.610.644**

The distribution of the goodwill according to the segments as at 31 December 2012 and 31 December 2011 is as follows:

Distribution by segments	31 December 2012	31 December 2011
Infrastructure	22.924.994	24.292.057
Finance	10.018.691	10.018.691
Real Estate	6.712.296	6.712.296
Other	1.587.600	1.587.600
Total	**41.243.581**	**42.610.644**

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

Infrastructure operations:

As at 31 December 2012, the Group recognised TL 22.924.994 goodwill related to the acquisition of Ege Liman in its consolidated financial statements (31 December 2011: TL 24.292.057).

As at 31 December 2012 and 2011, the Group tested impairment by comparing the goodwill from the acquisition of Ege Liman with the values in use of the cash generating units and concluded that no impairment exists. Cash flow forecasts are prepared up to the end of the port usage rights, which is 2033. The 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. An interest rate of 11,5% is used for discounting future cash flows to the reporting date.

Finance operations:

The Group tested impairment of assets of Global Menkul in order to test the goodwill amounting to TL 10.018.691 as at 31 December 2012 and 2011 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. These calculations are based on the cash flows derived from the financial budget for five years approved by the management.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
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 as at 31 December 2012 and 2011. In such work, the Group compared the amount of goodwill carried in 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 construction has not been started on leased land, because the expropriation studies have not been completed. As at 31 December 2012 and 2011, the fair value of this leased land is obtained from the appraisal reports prepared by an 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 9.915.000 (31 December 2011: TL 9.750.000) which is above the total investment of the Group in Maya 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 as at 31 December 2012 and 2011. The Group compared the amount of goodwill with the value in use of cash generating unit and has concluded that there is no impairment. These calculations are based on the cash flows derived from the financial budget for five years 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

As at 31 December 2012 and 31 December 2011, provisions comprised the following:

	31 December 2012	31 December 2011
Provovision for lawsuits (Note 20.2.(vii))	90.291.407	1.361.582
Provision for notice pay and vacations	876.973	1.135.292
Provision for consultancy expenses	808.815	2.395.847
Provision for personnel premium	89.739	55.825
Provision for penalty	–	215.693
Total short-term provisions	**92.066.934**	**5.164.239**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Movements of provisions during the years ended 31 December 2012 and 31 December 2011 are as follows:

	Provision for lawsuits, penalty and tax amnesty	Provision for notice pay and vacations	Provision for personnel premium	Provision for consultancy expenses	TOTAL
Balance at 1 January 2012	1.577.275	1.135.292	55.825	2.395.847	5.164.239
Provision made during the period	89.149.996	114.591	33.914	-	89.298.501
Currency translation differences	-	(10.966)	-	(73.014)	(83.980)
Paid	(69.847)	(4.740)	-	(1.514.018)	(1.588.605)
Provision reversed during the period	(3.107)	-	-	-	(3.107)
Exclusion from scope of consolidation	(365.175)	(357.204)			(722.379)
Transfer to other payables	2.265	-	-	-	2.265
Balance at 31 December 2012	**90.291.407**	**876.973**	**89.739**	**808.815**	**92.066.934**

	Provision for lawsuits, penalty and tax amnesty	Provision for notice pay and vacations	Provision for personnel premium	Provision for consultancy expenses	TOTAL
Balance at 1 January 2011	9.282.240	943.326	113.417	-	10.338.983
Provision made during the period	340.941	262.401	1.039.641	2.395.847	4.038.830
Currency translation differences	-	11.099	-	-	11.099
Paid	(554.881)	(81.534)	(1.097.233)	-	(1.733.648)
Provision reversed during the period	(30.394)	-	-	-	(30.394)
Transfer to other payables	(7.363.205)	-	-	-	(7.363.205)
Transfer to liabilities directly associated with assets held for sale	(99.314)	-	-	-	(99.314)
Business combination effect	1.888	-	-	-	1.888
Balance at 31 December 2011	**1.577.275**	**1.135.292**	**55.825**	**2.395.847**	**5.164.239**

For the year ended 31 December 2012, expenses related to the provision for lawsuits, penalty and tax amnesty are presented in other operating expenses, finance expenses and general administrative expenses. The expenses related to the provision for notice pay and vacations are presented in the general administrative expenses, expenses related to provision for personnel premium are presented in general administrative expenses and cost of sales. The expenses related to the provision for consultancy expenses are presented in general administrative expenses. The income related to the reversal of lawsuit provisions is presented in other operating income.

For the year ended 31 December 2011, expenses related to the provision for lawsuits, penalty and tax amnesty are presented in other operating expenses, finance expenses and general administrative expenses. The expenses related to the provision for termination indemnities and vacations are presented in the general administrative expenses. The income related to the reversal of lawsuit provisions is presented in other operating income.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Legal Issues

There are lawsuits pending that have been filed against or by the Group. These lawsuits primarily include the labour and debt cases. The management of the Group assesses the possible results and financial effects of these lawsuits at the end of each period and as a result of these assessments, the required provisions are recognized for those possible earnings and liabilities. The amount of provision that has been accounted for is stated in Note 20.1. The information related with the significant lawsuits that the Group is directly or indirectly a party is as follows:

(i) Ege Liman was granted the operation right of Kuşadası Port for a term of 30 years as of July 2003 by the Privatization Authority ("PA"). In October 2006, two former members of the Kuşadası Municipal Council filed a lawsuit with the requesting the cancellation of those 'zoning plan and planning notes' of the Region of Kuşadası, which enables the construction of the new Cruise Port Upper Structure Facilities.. The relevant Chamber of the Council of State ordered the cancellation of the zoning plan and planning notes in November 2009. That decision was appealed by the lawyers of the Ministry of Public Works as well as the lawyers for the Group. The file is under examination of the Council of State.

While that appeal was pending, the Group lawyers filed a lawsuit against the termination of the occupancy and construction permit notification of the Municipality with the request of stay of execution. The Aydın Administrative Court issued a stay of execution for the cancellation. Due to the Municipality's objection to that decision, the stay of execution has been cancelled. Aydın Administrative Court rejected the case. This decision has been appealed. The appeal is currently pending.

Kuşadası Municipality consequently issued a cease and desist order on 18 June 2010 to Ege Liman which governs the modification of the building in accordance with the previous zoning plans. The Group lawyers filed a lawsuit in order to cancel the order as well as issue a stay of execution. Aydın Administrative Court issued a stay of execution on 22 June 2010. However, the stay of execution was cancelled on 19 August 2010. Ege Liman and TDI appealed the court's decision. The appeal is currently pending.

In 21 October 2010, Ege Liman filed a lawsuit in the Aydın Administrative Court to annul the decision by the Kuşadası Municipal Council to demolish Kuşadası Port and to request a stay of execution. The court ordered a stay of execution on 21 October 2010. TDI successfully intervened in the lawsuit on 22 December 2010. The court renewed the stay of execution after the first reply of the Municipality, but then overruled the stay of execution on 29 June 2011. Aydın Administrative Court rejected the case, and such decision has been appealed.

A former member of the Kuşadası Municipal Council filed a lawsuit with the Aydın Administrative Court against the PA and the Group seeking to cancel the PA's approval of the Kuşadası Port tender granted to Ege Liman. The court ordered the cancellation of the tender on 2 June 2010. The Group and the PA appealed the decision. The Council of the State approved the decision of the court of first instance and the Group and the PA lawyers requested the revision of the decision. The lawsuit is currently before the Council of State.

The PA filed a lawsuit against Ege Liman basing its claims on the annulment decision of Aydın First Administrative Court dated 2 June 2010 and numbered 2010/434 E., 2010/936 K. reclaiming Kuşadası Port to TDI. The Court denied the PA's preliminary injunction request. It was therefore, decided to wait for the result of the case related to the cancellation of the tender. This lawsuit has been filed in order to act in compliance with the aforementioned decision of Aydın First Administrative Court and it is believed that there will be no negative result of this case considering that there has been no established practice as to the return of the privatized assets.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

As a matter of fact, in accordance with Article 10 of the Law No. 6300 that entered into force by publishing in the Official Gazette dated 10 May 2012, and the Council of Ministers Decision numbered 2012/3240 that entered into force by publishing in the Official Gazette dated 12 June 2012, it has been decided not to enforce the civil jurisdictions that has been rendered for the cancellation of some privatization actions, transfer and delivery processes of which are completed by the execution of final transfer agreement as a result of the privatization transactions, and irrevocable for practical impossibility.

Hereupon, the PA has withdrawn the lawsuit filed for return of Ege Ports to Turkey Maritime Organization, and the court decision has been finalized in this respect. Due to the new legal rectifications, it has not been expected to face any negative consequences in the lawsuits regarding cancellation of Ege Ports tender.

On 28 October 2010, the Ministry of Public Works approved the new zoning plans for Kuşadası Port; however several objections were raised by a number of local institutions. Following the cancellation of the stay of execution, a letter by the Kuşadası Municipality for the evacuation of Kuşadası Port has been sent, and a lawsuit has been filed against such action of the Municipality on 20 July 2011. TDI has also intervened the lawsuit. The court has rejected the lawsuit, and such decision has been appealed by the Group. The appeal is pending.

The Ministry of Public Works took some of the objections regarding the new zoning plan dated 28 October 2010 into account and approved the new amended zoning plan on 31 January 2011 on the grounds that;

i) The "Master Plan" with 1/5.000 and "Implementation Plan" with 1/1.000 of Kuşadası Port, that have been approved on 28 October 2010 are in line with the 1/100.000 "Environment Plan" of Aydın-Muğla-Denizli, and

ii) Kuşadası is an important cruise port that would become idle if the zoning plans are cancelled which could, in turn, have a negative effect on the Turkish economy. Moreover, Kuşadası Port complies with "Coastal Law" and "Regulations regarding the Implementation of Coastal Law". However the Municipality filed a lawsuit requesting cancellation of the new zoning plan and a stay of execution. The court ruled for a stay of execution regarding the new zoning plan. The Group Lawyers have been informed that the Plenary Session of Administrative Law Divisions of the Council of State has accepted the objection of the Group Lawyers raised against the stay of execution decision.

Ege Liman applied to Kuşadası Municipality for building permit on 15 March 2011 but the Municipality rejected such application. The Group therefore filed a lawsuit against such action of the Municipality.

The court has decided to reject the lawsuit; such decision has been appealed by the Group. The appeal is pending before the Council of State.

The management and lawyers of the Group do not anticipate a negative effect from the lawsuits regarding the new zoning plan.

(ii) The former owner of the shares of a subsidiary of the Group filed a lawsuit against the Group for the restitution of the shares. On 2 March 2010, the court decided on restitution of shares to the former owners and that the trustee, previously appointed by the Court, shall remain in charge until the final decision. The Group lawyers appealed the decision on 28 April 2010 upon the notification of the justified decision. The lawsuit is before the Supreme Court of Appeals. As a trustee was appointed to the aforementioned subsidiary by the Court on 4 January 2008, this subsidiary is excluded from the scope of consolidation.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(iii) In the lawsuit filed with Adana Court of First Instance, plaintiffs stated that in the period the Company operated as a brokerage house (2003) 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 a provision amounting to TL 500.000 for the cases.

(iv) 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 it had not received 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 have evaluated the situation and did not consider it necessary for any provision to be provided. As the confirmation of this evaluation, it was determined within the expert report that the assignment of receivables from TWP South Africa to TWP Turkey is void and thus the plaintiff is lack of standing.

(v) 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:

Kentsel Gayrimenkul, which merged into Pera in June 2008, applied to Denizli Municipality to amend the Denizli Sümerpark Project zoning plan to permit the construction of houses, shopping centers, hotels and hospitals. 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 and numbered # 640 within the objection period was accepted by Denizli Municipality assembly dated 9 January 2007 and numbered 54.

On 29 June 2007, the Denizli Branch of the Chamber of Architects of Turkey filed a lawsuit with the Denizli Administrative Court against the municipality requesting cancellation of the amendments approval to the zoning plan, as well as an injunction to prevent construction. The court rejected the stay of execution on 11 September 2007. Pera filed a request to intervene in the lawsuit on 24 July 2008, which was approved on 17 September 2008.

On 1 April 2009, the court dismissed the case in favor of the Group. The Denizli Branch of the Chamber of Architects of Turkey appealed and the Sixth Chamber of the Council of State upheld the dismissal. The Denizli Branch of the Chamber of Architects of Turkey filed for a reversal of the appellate decision. However Council of State has rejected such reversal request and the case has been finalised in favor of the Group.

The court decided to appoint an expert council in another lawsuit filed by a person requesting the cancellation of the resolutions approved by the Denizli Municipality Assembly. Pera sought to intervene in the lawsuit as a party along with the Denizli Municipality, which then was approved by the Court. The lawsuit is currently before the Denizli Administrative Court. Since the expert report written by the Expert Council appointed by the Court was in favor of Pera, the court dismissed the lawsuit. The plaintiff appealed the decision. However, the Council of State has upheld the decision of the first degree court.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(vi) GYH and Global Liman were part of a consortium which participated in the tender process relating to the privatisation of İzmir Port. The joint venture in which the Group also attended placed as 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. Plaintiffs 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.

The Group, on behalf of the joint venture partnership participating in the tender, requested an extension from the PA to complete the privatization by 15 April 2010. The PA granted a 45-day extension on 10 November 2009, permitting the joint venture to complete the privatization by 24 December 2009. Pursuant to the terms of the tender, on 7 January 2010 the PA cancelled the tender and called the USD 15 million bid bond provided by GYH and its joint venture partners during the bid process. On 8 January 2010, the Group deposited USD 6,9 million in escrow, its portion of the bid bond, and on 12 January 2010 the PA received the bid bond in full from all joint venture partners. Following forfeiture of the bid bond, the Group and its joint venture partners fulfilled all of their obligations to the PA in connection with the tender.

The Group initiated a pilot debt recovery procedure of USD 10.000 against the PA with the Ankara Enforcement Authority (which then is to be followed by the actual procedure) claiming the repayment of the Bid Bond issued by Bank Asya numbered 308099 and dated 29 March 2007 with a total amount of USD 12.750.000 which was liquidated on unjustifiable grounds. However, the proceeding was suspended upon defendant's objection. The cancellation of the defendant's claim and a penalty amounting to 40% of the total amount were requested from Ankara Commercial Court on the ground that defendant's claim was unjustifiable. However, the court dismissed the lawsuit since the lawsuit should be filed with the Administrative Court. The decision is appealed upon the notification of the reasoned decision. The Appeal Court upheld the local court's decision. Thereupon, Ankara Administrative Court, before which the cancellation lawsuit is pending, also decided that the civil court is the competent court to hear the case. After this court's decision becoming final, it shall be requested from the Court of Jurisdictional Disputes to determine whether the competent court is, and upon this determination this lawsuit will be heard before the competent court.

(vii) On 14 March 2008 the joint venture ("JV") consisting of Energaz and GYH placed the highest bid (USD 1.61 billion) for the tender relating to the privatization of the shares of Başkent Doğalgaz Dağıtım A.Ş. ("Başkentgaz") owned by the Municipality of Ankara via the block sale method. STFA Yatırım Holding A.Ş. and ABN Amro Infrastructure Capital Management Ltd. also became members of the JV. As the information in relation to Başkent Doğalgaz Dağıtım A.Ş. within the tender specifications were misleading the shares of Başkent Doğalgaz Dağıtım A.Ş. were not transferred to the JV. As the procedure was continuing, the Municipality applied to the guarantor bank to enable the liquidation of the USD 50 million Letter of Guarantee, submitted to the Municipality as a requirement under specifications by GYH, the 51,66% participant of the JV.

As the Group planned to file a lawsuit regarding the payment of the Letter of Guarantee, Boru Hatları ile Petrol Taşıma A.Ş. ("BOTAŞ") initiated an execution process in accordance with the Article 79 of the Collection of the Public Receivables Act No. 6183 against the Municipality. As a precautionary measure, the Group applied to Beyoğlu Commercial Court to prevent the liquidation of the Letter of Guarantee.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

The court issued a precautionary measure for 15% of the collateral of the Letter of Guarantee which prevented the liquidation. The Municipality raised an objection against the measure, which was rejected by the Court.

Continuing with their precautionary measure, a lawsuit was filed by the Group against the Ankara Metropolitan Municipality and BOTAŞ before the First Chamber of the Beyoğlu Commercial Court claiming to dissolve the discrepancy for the payment of the Letter of Guarantee and the restitution of the Letter of Guarantee. The court decided that it is not a competent court to conduct the case and that Ankara courts were the most appropriate forum for the litigation. Since then, the lawsuit has been conducted before Fourth Ankara Commercial Court. The guarantor bank requested an intervention in the lawsuit, which was then approved by the Court. The court additionally allowed the plaintiff to file a separate lawsuit against the PA and enabled this separate lawsuit to be combined with the pending lawsuit. Upon this order, the Consortium filed another lawsuit against the PA, as it became the competent authority to conduct the privatization process. The court decided to combine this lawsuit with the pending one. The file has been sent to a three person expert group for detailed examination on 26 June 2012. Following completion of the examination of the file an expertise report has been issued and according to such report, result of the administrative proceeding should be taken as a prejudicial question however, neither the content nor the objections to such report have been taken into consideration by the Court. Hence, the Court has rejected the case and canceled its preliminary injunction decision with regard to liquidation of the Letter of Guarantee. Following issue of the detailed ruling, the case will be taken to the supreme court. The Group filed a lawsuit before the Ankara Administrative Court against the Municipality, requesting cancellation of the Municipality Council's resolution dated 22 January 2009, numbered 86/325 regarding the forfeiture of the letter of guarantee given by JV according to Article 10/c of the tender specification. The Group also requested an injunction on 15 January 2010. Ankara Administrative Court decided incompetence and the case has been taken over by the Thirteenth Chamber of Council of State. The Thirteenth Chamber of Council of State rejected the request for a stay for execution. The Group appealed and the Administrative Division of the High Council of the State overturned the rejection on 8 July 2010. At this point, 13th Chamber of Council of State completed the parts which were missed before, and again gave its rejection. Further to the rejection given by 13th Chamber of Council of State, Group's lawyers made an objection to the Administrative Division of the High Council of the State regarding the decision given by 13th Chamber of Council of State. Since the objection to the rejection of the request for a stay for execution rejected by the Administrative Division of the High Council of the State, the lawsuit is pending before the 13th Chamber of Council of State in order to decide on the merits of the lawsuit.

On 2 July 2009, a decision of the Turkish High Council of Privatization Administration 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.

A commission of experts were assigned and the file was delivered to them on 26 June 2012. Commission declared in their report that the outcome of the Administrative Court case may be a prejudicial question however the Court, has not taken the objections to the Commission report into account and, rejected the case and cancelled the preliminary injunction on the Bid Bond on 26 February 2013. The file will be appealed as soon as the reasoned decision is complete. The Bid Bond amounting to USD 50.000.000.00 has been liquidated and paid to the Ankara Metropolitan Municipality on 1 March 2013 and the Company has been informed accordingly.

The Group treated the new situation as an adjusting subsequent event as of 31 December 2012. The Group has made provision amounting to USD 50.000.000 (TL 89.130.000) by taking the situation as of December 31, 2012 within the consolidated financial statements. On the other hand, legal proceedings with regard to collection of share of the members of the Consortium, STFA, ABN Amro ve Energaz, amounting to USD 24.170.000 (TRL 43.085.442) have been initiated.

Brielfy as at 31 December 2012, the Group allocated provision amounted USD 50.000.000 (TL 89.130.000) (Note:20.1) under "provisions" in its consolidated financial statements. The reimbursement of the provisions is accounted under "other receivables" as "reimbursement of provisions" amounted USD 24.170.000 (TL 43.085.422) (Note 11) and a net amount of provision and reimbursement of the provision amounting to USD 25.830.000 (TL 46.044.558) (Note 30) is accounted as provision expense under "finance costs" in the consolidated financial statement.

(viii) The Company filed a lawsuit of USD 15.000 against ABN Amro Infrastructure Capital Management Ltd. before Beyoğlu Commercial Court claiming that the defendant, with regards to the related articles of the JV Agreement signed between the Parties after the Tender of the Privatization of Başkent Doğalgaz Dağıtım A.Ş. arranging to share jointly all the financial, accounting, legal, tax, commercial and insurance expenses, has not paid its share of USD 236.918, reserving the right to claim the whole amount. The lawsuit is currently at the submission of the petitions phase.

(ix) The members of the Municipality Assembly of Van filed a lawsuit claiming the cancellation of the Assembly's decision dated 9 January 2008 numbered 13 regarding the amendment to the zoning plan of the property then owned by the Municipality as well as the imposing of an injunction. The request for the injunction was rejected by the Court on 29 May 2008. The zoning plan and the tender regarding the sale of the property then owned by the Municipality have been cancelled.

According to the cancellation decision of the court, a lawsuit is filed by the Municipality against the Group relating to cancellation of the deed. The Group lawyers objected that the Municipality must deposit the tender price to the Court in order to remove the restriction placed on filing the lawsuit. This would oblige the court to dismiss the case should the Municipality fail to deposit of the tender price to the Court within the time limits. The Group may recourse the tender price along with the interest and the adequate payment in return for the unlawful use of the property by the Municipality since 2008 and the compensation for the damages by filing an unjust enrichment case.

Upon the request of the Group lawyers, the judge ordered the Municipality to deposit the tender price of TL 16.050.246 to the Court.

Nevertheless the settlement negotiations between the Municipality and the Group on the withdrawal of the lawsuit and the implementation of the Project are still underway. Within this scope, the city council decided to grant authority for the settlement to the Commission established in this respect.

(x) Dağören, one of GYH's subsidiaries made an application to the General Directorate of State Hydraulic Works (the "Administration") to obtain a generation licence for the Dağören Hydroelectric Power Plant ("HEPP").

According to correspondence sent by the Administration dated 18 July 2008, the Administration accepted the application with one condition–the generation licence had to be granted by the Energy Market Regulatory Authority ("EMRA"). Subsequently, Dağören completed its licences application to EMRA and EMRA approved the application for a 46 year generation licence on 27 November 2008. Consequently, the Right of Water Usage Agreement was signed and sent to Dağören by the Administration.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Dağören responded stating that the draft agreement was acceptable and the final Right of Water Usage Agreement could be signed. On the grounds that the Bilateral Cooperation Agreement ("Agreement") between Turkey and USA is abrogated, which includes the development of Hakkari Dam and Hydroelectric Power Plant ("HEPP") Project located on the upper level of Dağören Regulator and HEPP Project, the Administration refrained from signing the water utilization rights agreement and subsequently notified Dağören, that Dağören Regulator and HEPP Project is also cancelled.

Dağören lawyers filed a lawsuit in the Sixteenth Administrative Court of Ankara to cancel the administrative decision given by the Administration on grounds that EMRA is the only body entitled to give or cancel any production licence; that the Administration has no authorization to cancel a project which is already approved by EMRA; that the Administration has no right to refrain from signing the water utilization rights agreement of any project that is approved by EMRA and the cancellation of Hakkari Dam and HEPP Project is not automatically a reason for the cancellation of the Dağören Regulator and HEPP Project.

The Sixteenth Administrative Court of Ankara decided against Dağören as a matter of public interest and not considering any contradiction against the law. Dağören appealed the verdict to the Council of State and requested an injunction declaring that the process conducted by the Administration cannot be lawful as a matter of public interest where it contradicts the express provisions of the law. The lawyers also requested that the appeal process shall be carried on through court hearings. Since the Thirteenth Chamber of the Council of State which will carry on the appeal process is the specialized court in such processes, the Group lawyers believe that the decision by the Sixteenth Administrative Court of Ankara will be reversed and a judgement made in favour of the Group.

On the other hand, a lawsuit has been filed at Ankara Intellectual and Industrial Property Rights Court No. 3 by the Group on the grounds that Dağören Regulator and HEPP Project is a product and is a property of Dağören and that the rights of the owner of the product cannot be interfered and the possession of the product cannot be taken by solely changing the name of the Project. The first expert decided against Dağören by majority of votes in their report although the technical expert represented their report in favor of Dağören. At this statement, Dağören made an objection to the court regarding the report. Within the second expert report prepared upon objections, it was stated that the transfer of the intellectual property rights regarding the Dağören Project from the Dağören to the General Directorate of State Hydraulic Works under the related regulations is an issue open to criticism, and these rights are actually owned by the Dağören, and the use of the projects which were prepared by the Dağören by the Administration is a matter considered to be professionally unethical, and the decision related to the product needs to be decided under the court's discretion. Although the Court approved that the Group's Project is a creation, it also dismissed the lawsuit claiming that the similarities between the Group's Project and the Hakkari HEPP Project announced by the defendant DSI have originated from several technical requirements; therefore the DSI's Project is also deemed as another creation.

The Group lawyers believe that the court's fault decision shall be reversed in favor of the Group by the Appeal Court upon further review at the appeal stage, since the Court erroneously concluded the lawsuit, although it confirmed that the Group's Project is a creation and there are similarities between two creations.

Finally, the Group filed a lawsuit at Second Administrative Court of Ankara, claiming that the administrative order regarding the application announcement by the Administration related to the Hakkari Hydro Electric Project which is a combination of Dağören Regulator and HEPP with the Hakkari Dam Construction Project and HEPP under this name must be cancelled. The lawsuit is currently pending before the Administrative Court.

20.3 Contingent liabilities

The details related to the Group's guarantees, pledges and mortgages given are presented in Note 21. Moreover, the Group has the following contingent liabilities:

Ege Liman

The details of the Transfer of Operational Rights Agreement dated 2 July 2003, executed by and between Ege Liman and Privatization Authority ("PA") together with Turkish Maritime Organization ("TDI") are stated below:

Ege Liman will be performing services such as sheltering, installing, charging, discharging, shifting, terminal services, pilotage, towing, moorings, water quenching, waste reception, operating, maintaining and repairing of cruise terminals, in Kuşadası Cruise Port for an operational period of 30 years. Ege Liman is liable for the maintenance of Kuşadası Cruise Port together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the TDI, while the movable properties stay with Ege Liman.

Ortadoğu Liman

The details of the Transfer of Operational Rights Agreement dated 31 August 1998, executed by and between Ortadoğu Liman and PA together with TDI are stated below:

Ortadoğu Liman will be performing services such as sheltering, installing, charging, discharging, shifting, terminal services, pilotage, towing, moorings, water quenching, waste reception, operating, maintaining and repairing of cruise terminals, in Antalya Port for an operational period of 30 years. Ortadoğu Liman is liable for the maintenance of Antalya Port together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the TDI, while the movable properties stay with Ortadoğu Liman.

Bodrum Liman

The details of the BOT Contract dated 23 June 2004, executed by and between Bodrum Liman and the State Railways, Ports and Airports Construction Company ("DLH") are stated below:

Bodrum Liman had to construct the Bodrum Cruise Port in a period of 1 year and 4 months following the delivery of the land and thereafter, will operate the Bodrum Cruise Port for 12 years. The final acceptance of the construction was performed on 4 December 2007, and thus the operation period has commenced. Bodrum Liman is liable for the maintenance of the port together with the port equipment in good repair and in operating condition throughout its operating right period. The facilities, equipment, installations and the systems together with the tools and other equipment belonging thereto shall be surrendered to the DLH after the expiry of the contractual period.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

20.4 Contingent assets

The details of contingent assets of the Group related to the net electricity revenue to be earned as a result of the sale of Yeşil Enerji and its subsidiaries are presented in Note 36.

The Company, having 49,20% shares of GY Elyaf ve İplik Sanayi ve Dış Ticaret A.Ş. ("GY Elyaf") has purchased additional 50,80% shares from prior shareholders on 7 November 2008 and transferred 100% shares to Koninklijke Vopak NV ("Vopak") at the same date, at the nominal value of TL 50.000. According to the Article 9 of the share transfer agreement, following the realization of the pre-conditions by the Company and Vopak, Vopak shall pay USD 9.750.000 (50% of the amount will be paid to the previous shareholders of GY Elyaf) as goodwill in 24 months after the signing date of the agreement. In November 2012, Vopak submitted the Company that the liabilities , explained in the 9th article of the agreement, could not be accomplished in reasonable time and demanded the sale of land according to the relavant provisions of the agreement explained in the 11th article. An authorized investment bank by Vopak has been carrying out on the sale of land. The gain on sale (including goodwill) will be shared according to relavant provisions of the share transfer agreement.

20.5 Operating leases

Group as lessee

The Group entered into various operating lease agreements. As at 31 December 2012 and 2011, operating lease rentals are payable as follows:

	2012	2011
Less than 1 year	296.325	1.134.750
Over 1 year no more than 5 years	2.092.071	3.400.398
More than five years	430.792	579.868
	2.819.188	**5.115.016**

The Company's main operating lease agreements as lessee are the port rent agreement of Bodrum Liman until 2019 and the rent agreement signed by Pera with the General Directorate of Foundations with respect to the rental of 6.Vakıf Han for 15 years.

For the year ended 31 December 2012, payments recognized as rent expense are TL 751.040 (2011: TL 2.213.418).

Group as lessor

As at 31 December 2012 and 2011, the future lease receivables under operating leases are as follows:

	2012	2011
Less than 1 year	12.595.958	13.052.194
Over 1 year no more than 5 years	34.200.471	43.669.142
More than five years	28.537.863	35.749.944
	75.334.292	**92.471.280**

The Group's main operating lease agreements as lessor are the rent agreements of Pera with the lessees of Sümerpark AVM and 6. Vakıf Han, the marina lease agreement of Ortadoğu Liman until 2028 and various shopping center rent agreements of Ege Liman and Bodrum Liman up to 5 years.

During the year ended 31 December 2012, TL 14.023.802 TL (2011: TL 13.312.957) have been recognized as rent income in the consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

21 COMMITMENTS

As at 31 December 2012 and 2011 guarantees, pledges and mortgages (GPMs) given by the Group are presented below:

31 December 2012

		Original amount		
	TL Equivalent	**TL**	**USD**	**EURO**
A Total amount of GPMs given in the name of its own legal personality	150.290.028	132.107.508	10.200.000	-
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	375.916.024	374.801.628	625.152	-
-Total amount GPMs given in the name of the consolidated subsidiaries	*375.310.159*	*374.195.763*	*625.152*	-
-Total amount of GPMs given in the name of the consolidated joint ventures (*)	*605.865*	*605.865*	-	-
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	14.200.200	90.000	-	6.000.000
D Other GPMs given	-	-	-	-
-Total amount of GPMs given in the name of the main shareholder	-	-	-	-
-Total amount of GPMs given in the name of other group companies except for B and C	-	-	-	-
-Total amount of GPMs given in the name of third parties except for C	-	-	-	-
Total	**540.406.252**	**506.999.136**	**10.825.152**	**6.000.000**

31 December 2011

		Original amount		
	TL Equivalent	**TL**	**USD**	**EURO**
A Total amount of GPMs given in the name of its own legal personality	135.121.625	21.787.625	60.000.000	-
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	612.014.003	421.695.691	96.424.973	3.347.729
-Total amount GPMs given in the name of the consolidated subsidiaries	*395.686.949*	*375.768.212*	*10.545.152*	-
-Total amount of GPMs given in the name of the consolidated joint ventures (*)	*216.327.054*	*45.927.479*	*85.879.821*	*3.347.729*
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	14.752.800	90.000	-	6.000.000
D Other GPMs given	-	-	-	-
-Total amount of GPMs given in the name of the main shareholder	-	-	-	-
-Total amount of GPMs given in the name of other group companies except for B and C	-	-	-	-
-Total amount of GPMs given in the name of third parties except for C	-	-	-	-
Total	**761.888.428**	**443.573.316**	**156.424.973**	**9.347.729**

(*) EYH and its subsidiaries (except Naturelgaz) have been sold on 10 July 2012.

As at 31 December 2012 the ratio of other GPMs given to the Group's equity is 0% (31 December 2011: 0%).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Letters of guarantees given

As at 31 December 2012 and 2011 guarantees, the details of the GPMs given by the Group are presented below:

	31 December 2012	31 December 2011
Given for tenders [1]	201.256	94.503.705
Given to Takasbank	39.425.000	35.925.000
Given to Energy Market Regulatory Authority [2]	8.776.890	28.806.501
Given to Privatization Administration [3]	1.014.988	19.961.938
Given as a guarantee for commercial contracts	14.110.200	14.662.800
Given to supply for natural gas	-	9.088.182
Given to İstanbul Stock Exchange	9.073.170	8.688.000
Given to banks	285.574	4.121.464
Given to Capital Markets Board	2.776	1.127.776
Given to courts, ministries, Tax Administration	221.158	444.486
Given to derivative exchange market	363.806	240.000
Other	3.369.188	3.296.877
Total letters of guarantee	**76.844.006**	**220.866.729**
Mortgages and pledges on inventory, property plant and equipment and investment property [4]	313.747.000	255.246.700
Pledges on equity securities [5]	109.973.221	90.342.996
Securities given [6]	39.842.025	195.432.003
Total contingent liabilities	**540.406.252**	**761.888.428**

[1] The amount includes the letter of guarantee amounting to USD 50.000.000 given for the tender of Başkentgaz as at 31 December 2011. As explained in Note 20, the related letter of guarantee has been paid to Ankara Metroplitan Municipality by the Bank on 1 March 2013 and submitted to company. This issue considered as an adjusting subsequent event after reporting period. As of 31 December 2012, the Group, has presented the provision related to Baskentgaz lawsuit in the consolidated financial statements according to the current status.
[2] The amounts include the letters of guarantee given by Group companies operating in energy sector to EMRA.
[3] As at 31 December 2011, the amount includes the letter of guarantee amounting to TL 18.889.000 given for privatization of İskenderun Port to Privatization Administration (31 December 2012: None).
[4] Mortgages and pledges on inventory, property, plant and equipment and investment property:

As at 31 December 2012, there is a mortgage amounting to TL 80.000.000 over one of the buildings of Global Yatırım Holding (which is classified as property, plant and equipment) with respect to the loans obtained (31 December 2011: TL 20.000.000).

As at 31 December 2012, there is mortgage on the land of the Group located in Denizli Plot # 6224 and Parcel # 1 (which is classified as inventory) as collateral of the Group's bank loans amounting to TL 26.800.000 and on the other lands of the Group located in Denizli and Van (classified as investment property) amounting to TL 175.200.000. As at 31 December 2011, there is a total mortgage amounting to TL 202.000.000 on the land plots classified as investment property.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2011, as collateral for Naturelgaz's bank loans, there is a mortgage on its land plots classified as property, plant and equipment amounting to TL 1.499.700 (31 December 2012: None).

As at 31 December 2012, there is a pledge over the property, plant and equipment of Ortadoğu Liman amounting to TL 31.747.000 (31 December 2011: TL 31.747.000) with respect to the loans obtained by Ortadoğu Liman.

(5) Pledges on equity securities:

As at 31 December 2011, the registered shares of Energaz in its subsidiaries are pledged in favour of the lender against the loans used by Energaz (which is a subsidiary of EYH) and its subsidiaries as explained in Note 8 and the Group's ownership in these shares is TL 34.361.617. As at 31 December 2012, the Group does not have such pledge since EYH and its subsidiaries are excluded from the scope of consolidation.

As at 31 December 2012, there is a pledge on the Global Liman's shares in Ege Liman and Ortadoğu Liman with a total nominal value of TL 27.262.145 (31 December 2011: TL 27.262.145) with respect to loans used by Global Liman, Ege Liman and Ortadoğu Liman. The details are presented in Note 8. As at 31 December 2012, the Group gave marketable securities with a nominal value of USD 10.200.000 (equivalent to TL 18.182.520) (31 December 2011: TL 18.889.000) and shares amounting to TL 22.405 (31 December 2011: TL 16.773) as collateral with respect to ongoing legal proceedings. As mentioned in Note 7, as at 31 December 2012, letters of guarantee obtained from banks were given to the ISE as a pledge and financial investments amounting to TL 595.170 given to ISE according to the blockade of brokerage transactions (31 December 2011: TL 448.062). As at 31 December 2012, government bonds amounting to TL 363.806 are given to Turkish Derivative Exchange ("VOB") for transaction guarantee (31 December 2011: TL 12.784). As at 31 December 2012, financial investments with carrying value of TL 195.574 were given as a pledge to related lenders (31 December 2011: None). As at 31 December 2012, shares amounting to TL 51.026.626 (31 December 2011: TL 4.364.445) that repurchased of the shares as mentioned in Note 24.1 has pledged for loans and debt securities and as mentioned in Note 7, shares amounting to TL 3.238.660 has pledged for debt securities (31 December 2011: TL 3.456.000). Besides as at 31 December 2011 government bonds with a carrying value of TL 56.641 of Global Portföy were given as a pledge to Takasbank and these government bonds are classified as assets held for sale.

As at 31 December 2012, the Group has pledged 14.978.125 shares of one of its subsidiaries amounting to TL 8.687.311 with respect to the guarantee for a loan (31 December 2011: 1.878.125 shares amounting to TL 1.089.313).

(6) Securities given:

As at 31 December 2011, the Group provided guarantees amounting to USD 75.279.941 and Euro 1.690.312 for the loans of Energaz (with its subsidiaries). As at 31 December 2012, as a result of the sale of the Group's shares in Energaz, the Group does not have such guarantee.

As at 31 December 2012, the Group provided guarantee amounting to TL 39.842.025 for the loans of Pera, a subsidiary of the Group (31 December 2011: TL 49.104.940).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

22 EMPLOYEE BENEFITS

The Group's accounting policies require the use of actuarial assumptions to estimate the provision for employement 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 2012	31 December 2011
Discount rate	2,90 %	4,14 %
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 2012, the provision for employement termination indemnities is calculated over the ceiling of TL 3.034 (31 December 2011: TL 2.732).

For the years ended 31 December 2012 and 2011, the movement of the provision for employement termination indemnity as follows:

Provision for employement termination indemnity

	2012	2011
Balance at 1 January	2.455.339	1.857.843
Interest for the period	179.544	244.497
Current service costs and actuarial gains/(losses)	804.318	886.391
Currency translation differences	(71.494)	(112.230)
Acquisition through business combination	103.473	57.167
Exclusion from scope of consolidation	(365.459)	-
Paid during the period (-)	(96.485)	(478.329)
Balance at 31 December	**3.009.236**	**2.455.339**

For the years ended 31 December 2012 and 31 December 2011, the expenses related to the employement termination indemnity are presented in the personnel expenses under general administrative expenses and in the finance expenses.

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

23 OTHER ASSETS AND LIABILITIES

As at 31 December 2012 and 31 December 2011, other current assets comprised the following:

	31 December 2012	31 December 2011
Value added tax receivable	14.980.201	23.987.438
Advances given	7.528.071	4.649.339
Job and salary advances given to personnel	3.192.865	1.276.503
Income accruals(*)	3.108.055	19.920.490
Prepaid expenses	2.420.806	3.798.085
Prepaid taxes	858.355	348.420
Other	545.112	357.409
Total	**32.633.465**	**54.337.684**

(*) As at 31 December 2011, a significant portion of income accruals consists of income accruals related to natural gas sales.

As at 31 December 2012 and 31 December 2011, other non-current assets comprised the following:

	31 December 2012	31 December 2011
Advances given (*)	26.024.914	27.314.042
Value added tax receivable	4.075.692	4.055.937
Prepaid expenses	1.147.937	1.243.226
Total	**31.248.543**	**32.613.205**

(*) As at 31 December 2012 and 2011, a significant portion of advances given consists of advances given for projects developed by the Group.

As at 31 December 2012 and 31 December 2011, other short-term liabilities comprised the following:

	31 December 2012	31 December 2011
Advances received (*)	1.728.551	5.216.032
Expense accruals	435.011	1.276.531
Deferred income (**)	169.625	10.272.795
Other	100.644	46.157
Total	**2.433.831**	**16.811.515**

(*) As at 31 December 2012 and 2011, a significant portion of the advances received are composed of the sales advances related with the Group's residential project in Denizli.
(**) As at 31 December 2011 deferred income includes prepaid natural gas sale income amounting to TL 6.590.837 and deferred naturel gas connection fee revenue related to future months amounting to TL 2.396.300.

As at 31 December 2012 and 31 December 2011, other long-term liabilities comprised the following:

	31 December 2012	31 Aralık 2011
Deferred naturel gas connection fee revenue	375.084	52.426.788
Total	**375.084**	**52.426.788**

EYH and its subsidiaries (except Naturelgaz) were sold in 10 July 2012, therefore deferred naturel gas connection fee revenue has been excluded from the Group's long term other liabilities.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

24 EQUITY

24.1 Share capital/treasury shares

As at 31 December 2012 and 31 December 2011, the Company's statutory nominal value of paid-in share capital consisted of 22.500.368,745 registered shares with a par value of Kuruş 1 (TL 1= Kuruş 100) each. The number of shares is presented in lots in the consolidated financial statements and the accompanying notes (1 lot= 100 shares).

The issued capital of the Company is TL 225.003.687,45 and the authorized capital ceiling is TL 650.000.000. The shareholder structure of the Company is as follows:

	31 December 2012		31 December 2011	
	Proportion of share %	Value of share	Proportion of share %	Value of share
Mehmet Kutman (*)	25,55 %	57.495.090	25,27 %	56.868.710
Erol Göker	0,22 %	488.707	0,22 %	488.707
Publicly traded other shares	74,23 %	167.019.890	74,51 %	167.646.270
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**

(*) Disclosed together with the shares of Turkcom Turizm Enerji İnşaat Gıda Yatırımlar A.Ş which is owned by Mehmet Kutman.

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.

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 that arises as the result of the sale of the shares is as accounted for under retained earnings in the consolidated financial statements. The shares are accounted for at cost under treasury shares. Amounts related to these transactions are presented under "Own shares acquired and sold" in the consolidated statement of changes in equity. As at 31 December 2012, the Group's subsidiaries held 60.482.404 shares of Global Yatırım Holding A.Ş. (31 December 2011: 63.276.300), with the cost of TL 70.020.872 TL (31 December 2011: TL 72.751.722).

Based on the share purchase program, The Board of Directors authorized at the BOD meeting, numbered 791, held on 30 March 2012 and approved on 10 May 2012 by the General Assembly, Group repurchase of the shares with the nominal value of TL 22.500.368, that is 10% of GYH's paid capital at the amount of TL 225.003.687,45. According to the program, the share buyback period will be 18 months. As at 31 December 2012, the total amount and the total nominal value of the shares that are repurchased by the Group are TL 8.336.840 (3,71 %) and also stated in the amount in the preceding paragraph.

For the period ended 31 December 2012, the profit before tax of Group companies from the sale of the shares of the Company amounted to TL 1.146.845 (31 December 2011: TL 3.497.562) and has been recognized in equity in the consolidated financial statements.

As at 31 December 2012, the Group has lent 1.252.083 (31 December 2011: 1.252.083) shares of a subsidiary.

24.2 Share premium

Share premium represents the inflow of cash arising from the sales of shares at market value. The premium amount is included in equity and cannot be distributed. It can only be used for the future capital increases.

24.3 Revaluation reserve and currency translation differences

As at 31 December 2012 and 2011, the revaluation reserve comprises the cumulative net change in the fair value of available-for-sale financial assets.

As at 31 December 2012 and 2011, currency translation differences comprise the foreign exchange differences arising from the translation of the financial statements of subsidiaries and joint ventures from their functional currencies to the presentation currency (TL) recognized in the equity.

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 2012 the legal reserves of the Group are TL 86.393.932 (31 December 2011: 77.568.827 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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

In chapter 1 of 2010/4 weekly bulletin of CMB, to determine the principles of dividend obtained from 2009 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, and 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 Corporations shall disclose 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 from 2009 operational results. 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 year ended 31 December 2012 in the statutory books is TL 44.151.096, and accumulated losses (net) of the Company are TL 38.617.272.

At the General Assembly Meeting of the company on 10 May 2012, the shareholders were informed that no dividend will be distributed on the grounds that in 2011 the Company had a net loss in its statutory financial statements even though it had a net profit in its consolidated financial statements prepared in accordance with the CMB Financial Reporting.

24.5 Retained earnings/accumulated losses, special fund and non-controlling interests

i) Retained earnings/accumulated losses

The retained earnings/accumulated losses excluding the net income/loss for the period, and the general reserves which have retained earnings/accumulated losses nature are included in retained earnings/accumulated loss account.

ii) Special Fund

The details of the special fund are presented in Note 24.6.iv.

iii) Non-controlling interests

The net assets of the subsidiaries attributable to the shares not controlled directly or indirectly by the parent company are presented as "Non-controlling interests" in the consolidated balance sheet. The net profits and losses of the subsidiaries attributable to the shares not controlled directly or indirectly by the parent company are presented as "Non-controlling interests" in the consolidated statement of comprehensive income.

24.6 Transactions with owners of the Company, recognized directly in equity

i) Treasury shares acquired and sold

The detailed explanation is presented in Note 24.1.

ii) Sale of shares of a subsidiary in the infrastructure segment without loss of control

The share transfer transactions enabling Venice European Investment Capital S.p.A. ("VEI"), a private equity fund, and Savina Holding GmbH, a special purpose entity of Venice Shipping and Logistic S.p.A (a strategic partner), to acquire a minority stake in Global Liman, a subsidiary of the Group, was finalized on 26 July 2011. Pursuant to this transfer, the Company's shares corresponding to 22,114% of the share capital of Global Liman were sold for a total price of USD 77.399.000 to Savina Holding GmbH and the consideration was paid in cash. After the share transfer, the effective shareholding interest of the Group in Global Liman became 77,886%.

As the Group did not lose its control in Global Liman as a result of this sale, the transaction is a transaction with owners of the Company recognized directly in equity, not in the profit or loss. The transaction has been accounted for in accordance with the paragraphs 30 and 31 of IAS 27 "Consolidated and Separate Financial Statements", which require the changes in a parent's ownership interest in a subsidiary that do not result in a loss of control to be accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). In such circumstances the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognised directly in equity and attributed to the owners of the parent.

The profit before tax from the sale amounting to TL 44.462.801, which is the difference between the sales price amounting to TL 132.429.689 and the sold net assets amounting to TL 87.966.888 has been accounted for under equity. With the addition of the deferred tax expense effect amounting to TL 22.725.860 also recognized in equity, the total positive effect on the equity attributable to equity holders of the Company amounted to TL 21.736.941. The non-controlling interest increased by TL 87.966.888. As a result of this transaction, the Group generated TL 132.429.689 as net cash inflows.

In accordance with the agreement, the shareholding interest of VEI will increase to 25% after 3 years. Moreover, with the same conditions, Generali Assicurazioni, Unicredit and Venice Shipping and Logistics S.p.A groups or other investor groups to be approved by the Company have the option to purchase additional shares in Global Liman corresponding to the 10% of its share capital exercisable up to 31 December 2011. As at 31 December 2011, these groups have not used this option. The releated shares repurchased in the year 2013 as explained in Note 38.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

iii) Purchase by a joint venture in the energy segment of the shares in a subsidiary without change in control

As at 11 August 2011, after obtaining regulatory approval, EYH, a joint venture of the Group, acquired the remaining shares in Energaz, its subsidiary, from the other shareholders for a total consideration of USD 25.591.496 (equivalent to TL 44.552.235), in which the Group's share amounts to USD 12.793.189 (equivalent to TL 22.271.662) and increased its shareholding interest in Energaz from 52,47% to 99%. Thus, the Group's effective shareholding interest in Energaz increased from 26,23% to 49,49%.

As this purchase did not cause any change in control, the transaction is a transaction with owners of the Company recognized directly in equity. The difference between the Group's share in the acquisition cost (TL 22.271.662) and the net assets acquired by the Group (negative (-) TL 11.538.159) amounted to TL 33.809.821 and has been recognized under equity. The negative effect on the equity attributable to equity holders of the Company amounted to TL 33.809.821. The non-controlling interest increased by TL 11.538.159. The transaction had a negative effect amounting to TL 22.271.662 on the Group's cash flows. As explained in note 36 the Group sold its shares on EYH in 10 July 2012.

iv) Sale and purchase of shares and capital decrease and increase of a subsidiary in the real estate segment without loss of control

The application filed by Pera, a subsidiary of the Group operating in the real estate segment, to the CMB in relation to permission for a share capital decrease by TL 35.900.000 and simultaneous share capital increase (in cash) by TL 29.000.000, was approved by the CMB on 24 January 2011 in the decision numbered 86-928. The amendment to Article 8 of the Association of Pera was approved by the Extraordinary General Assembly Meeting on 15 February 2011, and the share capital of Pera was decreased to TL 60.100.000. The pre-emption rights of the existing shareholders were used between 1 March and 15 March 2011 and after that the remaining shares were offered to investors between 1 April and 15 April 2011. Finally, the portion of the new shares, for which the pre-emptive rights were not used, has been purchased by Global Yatırım Holding A.Ş. and the capital increase to TL 89.100.000 was completed. The process was approved by the CMB on 3 May 2011. As a result of the capital increase, a total of TL 29.000.000 has been accounted for as "Special Reserve" by Pera, of which TL 14.357.900 has been reflected in the consolidated financial statements of the Group as of 31 December 2011.

Furthermore, in the year ended 31 December 2011, the Group entered into sale and purchase transactions of shares in Pera, whose shares are publicly traded on the ISE. As a result of the aforementioned capital decrease and increase of Pera as well as the sale and purchase of Pera shares by the Group, the effective shareholding interest of the Group in Pera increased to 49,51% as at 31 December 2011. As at 31 December 2011, these transactions resulted in an increase in the equity attributable to equity holders of the Company by TL 13.471.953 and a decline in the non-controlling interest by TL 6.494.422. These transactions had a positive effect amounting to TL 6.929.237 on the cash flows of the Group.

v) Initial public offering ("IPO") and sale and purchase of shares in a subsidiary in the finance segment without loss of control:

Global Menkul, a subsidiary of the Group in the finance segment, carried out an initial public offering of its shares amounting to TL 10.000.000 by increasing its share capital from TL 30.000.000 to TL 40.000.000 and limiting the pre-emptive rights of all existing shareholders. The sale of the shares for the total nominal value of TL 10.000.000 was completed with a sale price of TL 1,65 per share (per lot of shares) on the ISE Primary Markets (İMKB Birincil Piyasa) on 22-23 June 2011 with variable price book building and sale method. On 29 June 2011, the shares offered to the public (with a total nominal value of TL 10.000.000) started to be traded in the Second National Market with the trading symbol "GLBMD.Y" at a base price of TL 1,65 per share (per lot of shares).

Furthermore, in accordance with the Framework Agreement signed with Azimut Holding S.p.A. ("Azimut") as a secondary action, Azimut agreed to purchase 5% of the shares of Global Menkul (either through an IPO or direct sale). Accordingly, Azimut purchased 8.721 lots of Global Menkul shares in the IPO and on 29 June 2011 the Company transferred to Azimut the remaining shares (1.991.279 lots), which were required so that Azimut's ownership interest in Global Menkul would reach 5%, at a price of TL 1,65 per share (lot of shares) amounting to a total sale price of TL 3.285.610,35. After this share transfer, the shareholding percentage of Azimut in Global Menkul reached 5%. The 1.991.279 lots of shares purchased by Azimut are not publicly traded on the ISE and the sale did not increase the number of shares publicly traded on the ISE. The profit before tax amounting to TL 596.920 earned from this additional share sale to Azimut has been accounted for under equity as this sale is a transaction with owners of the company recognized directly in equity. Moreover, the Group purchased some of the publicly traded shares of Global Menkul afterwards.

As a result of the IPO, the sale of additional shares to Azimut and the purchase of some of the publicly traded shares, the effective shareholding rate of the Group in Global Menkul became 76,85% as at 31 December 2011. These transactions resulted in an increase in the equity attributable to equity holders of the Company by TL 3.406.568 and an increase in the non-controlling interest by TL 11.804.616. The Group generated a net cash inflow amounting to TL 15.428.818 as a result of these transactions.

vi) Profit or loss on sale of shares recognized in equity

For the year ended 31 December 2011, the total amount of profit before tax of the Group earned from the sale of the Company shares by Group companies and from the sale of the shares in the Group's subsidiaries (which are not publicly traded) without loss of control amounted to TL 48.557.283. For the year ended 31 December 2011, TL 3.497.562 of this total value is the profit before tax earned by Group companies from the sale of the Company shares as explained in detail in Note 24.1; TL 44.462.801 of the total value is the profit before tax earned from the sale of Global Liman shares explained in detail in Note 24.6.ii; TL 596.920 of the total value is the profit before tax earned by the Group from the additional direct sale of the shares in Global Menkul to Azimut.

vii) Changes in ownership interest and capital increases of other subsidiaries

This line includes the other transactions with shareholders of the Group, recognized in equity, which are intra Group transactions in nature not mentioned in the first four items of Note 24.6. The major transactions are; the transfer of 59,99% of Galata Enerji shares by Ege Global to Global Enerji on 1 November 2011, the legal merger of Osmanlı Enerji and Ges Enerji A.Ş. under Ges Enerji A.Ş. on 28 December 2011, the transfer of the 100% of Doğal Enerji shares by Global Enerji to Holding on 26 December 2011, the capital increases of subsidiaries and other transactions.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

25 SALES AND COST OF SALES

For the years ended 31 December 2012 and 31 December 2011, the Group's gross profit on the basis of operations comprised the following:

Sales revenues	**1 January–31 December 2012**	**1 January–31 December 2011**
Natural gas distribution revenues	147.961.534	190.498.861
Port operating revenues	122.390.528	108.133.744
Real estate sales, rent and service revenues	17.246.635	4.427.532
Construction revenues	14.080.698	26.695.161
Other	3.519.678	4.770.332
Total	**305.199.073**	**334.525.630**
Cost of sales		
Cost of natural gas sales and services	(147.660.281)	(187.383.890)
Cost of operating ports	(71.614.860)	(65.791.486)
Cost of construction	(14.080.698)	(26.695.161)
Cost of real estate sales and service revenues	(12.095.385)	(1.057.714)
Other	(2.780.980)	(4.881.194)
Total	**(248.232.204)**	**(285.809.445)**
Gross profit from non-finance operations	**56.966.869**	**48.716.185**

Interest, fee, premium, commission, and other revenues	**1 January–31 December 2012**	**1 January–31 December 2011**
Agency commissions	14.179.332	18.579.273
Interest received from customers	7.904.215	7.839.279
Gain on sale of marketable securities, net	515.195	-
Portfolio management fees	450.633	1.040.601
Other revenue	161.728	2.249.170
Total	**23.211.103**	**29.708.323**
Interest, fee, premium, commission, and other expenses		
Commission charges	(1.054.639)	(1.993.411)
Interest charges from loans delivered to customers	(2.959.437)	(1.628.295)
Loss on sale of marketable securities, net	-	(871.163)
Total	**(4.014.076)**	**(4.492.869)**
Gross profit from finance operations	**19.197.027**	**25.215.454**
Gross profit	**76.163.896**	**73.931.639**

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

26 OPERATING EXPENSES

26.1 Selling, marketing and distribution expenses

For the years ended 31 December 2012 and 2011, selling, marketing and distribution expenses comprised the following:

	1 January– 31 December 2012	1 January– 31 December 2011
Advertising and promotion expenses	2.107.170	1.729.845
Personnel expenses	951.203	962.023
Stock market participation share	268.920	727.102
Commission expenses of derivative exchange market	344.730	537.537
Consultancy expenses	254.334	503.583
Depreciation and amortization expenses	329.715	452.465
Representation and traveling expenses	278.409	392.490
Vehicle expenses	68.257	229.690
Other	1.352.926	674.638
	5.955.664	**6.209.373**

26.2 General and administrative expenses

For the years ended 31 December 2012 and 2011, general and administrative expenses comprised the following:

	1 January– 31 December 2012	1 January– 31 December 2011
Personnel expenses	45.973.963	46.218.395
Consultancy expenses	4.088.642	12.441.018
Traveling expenses	5.665.909	6.654.652
Depreciation and amortization expenses	2.759.509	2.969.766
Allowance for doubtful receivables	1.025.024	2.247.027
Taxes and duties	2.329.691	2.167.155
IT expenses	2.117.019	1.940.719
Rent expenses	1.524.772	1.619.704
Communication expenses	1.544.830	1.604.196
Building management expenses	1.706.658	1.517.894
Vehicle expenses	1.276.215	1.254.937
Representation expenses	843.060	671.884
Stationary expenses	305.954	372.562
Repair and maintenance expenses	406.177	362.920
Insurance expenses	283.356	239.873
Other expenses	5.916.617	6.308.711
	77.767.396	**88.591.413**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

27 EXPENSES BY NATURE

For the years ended 31 December 2012 and 2011, the breakdown of personnel, depreciation and amortization expenses comprised the following:

Personnel expenses	1 January– 31 December 2012	1 January– 31 December 2011
Cost of sales	10.376.527	9.918.895
Selling, marketing and distribution expenses	951.203	962.023
General administrative expenses	45.973.963	46.218.395
	57.301.693	**57.099.313**

Depreciation and amortization expenses	1 January– 31 December 2012	1 January– 31 December 2011
Cost of sales	45.209.165	43.746.046
Selling, marketing and distribution expenses	329.715	452.465
General administrative expenses	2.759.509	2.969.766
	48.298.389	**47.168.277**

28 OTHER OPERATING INCOME/EXPENSES

For the years ended 31 December 2012 and 2011, other operating income and expenses comprised the following:

28.1 Other operating income

	1 January– 31 December 2012	1 January– 31 December 2011
Gain on sale of joint venture (Note 36) (*)	150.185.136	6.814.015
Gain on previously held interest (Note 3)	9.796.310	–
Bargain purchase gain (Note 3)	3.011.651	5.446.718
Investment property valuation gain (Note 15)	4.467.095	4.009.234
Gain on sale of subsidiaries (**)	1.745.775	–
Gain on sale of associates (***)	1.546.042	–
Dividend income	933.483	709.156
Rental income	640.124	500.144
Gain on sale of tangible assets	133.066	87.605
Gain on sale of real estate	49.505	68.547
Other expenses	1.999.986	1.141.047
Total	**174.508.173**	**18.776.466**

(*) As at 31 December 2012 and 2011, gain on sale of joint venture consists of EYH and its subsidiaries (except Naturelgaz) sales on 10 July 2012 and Bilecik Demir Çelik sales, respectively.
(**) Gain on sale of subsidiaries consists of the gain on sale of 60% of shares of Global Portföy to Azimut.
(***) The Group has sold its shares in Takasbank (on the basis of 1 share=1 nominal) to ISE amounting to nominal value of TL 953.666,90 (TL 5,50 per share). Group continues to recognize the nominal value of TL 500.000 in its accounts. As a result of this transaction, Group recognizes TL 1.546.042 as a gain on sale of associates.

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

28.2 Other operating expenses

	1 January–31 December 2012	1 January–31 December 2011
Tax amnesty provision expenses	635.640	–
Partial exception expenses	331.809	892.007
Donations	257.574	5.129.564
Project expenses	152.537	–
Agency commission expenses	179.681	–
Provision expenses	40.232	390.417
Loss on sale of tangible assets	19.916	64.560
Transfer of bonus shares to non-controlling interests	–	769.846
Other expenses	1.128.718	642.218
Total	**2.746.107**	**7.888.612**

29 FINANCE INCOME

For the years ended 31 December 2012 and 2011, finance income of the Group comprised the following.

	1 January–31 December 2012	1 January–31 December 2011
Foreign currency exchange gain	52.831.772	49.120.522
Interest income	6.788.810	7.577.417
Gain on sale of marketables securities, net	2.370.283	–
Change in fair value of derivatives, net	877.131	–
Other finance income	965.817	208.537
Total	**63.833.813**	**56.906.476**

30 FINANCE EXPENSES

For the years ended 31 December 2012 and 2011, finance expenses of the Group comprised the following:

	1 January–31 December 2012	1 January–31 December 2011
Letter of guarantee provision for Başkent Doğalgaz, net (Note 20.2 (iiv))	46.044.558	–
Foreign currency exchange loss	39.011.929	91.795.929
Interest expenses on borrowings	30.000.077	29.686.188
Letter of guarantee commissions	2.325.735	3.266.981
Commission expenses on borrowings	1.540.081	441.404
Default interest expenses paid to suppliers	1.206.179	2.582.821
Change in fair value of derivatives, net	–	1.400.002
Other	4.746.630	10.855.863
Toplam	**124.875.189**	**140.029.188**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

31 TAX ASSETS AND LIABILITIES

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 2012 is 20% (31 December 2011: 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.

The Law numbered 6111 "Concerning the Restructuring of Certain Receivables, Social Security and the Amendment of the General Health Law and Certain Other Laws and Decrees with the Force of Law" has been put into effect following its promulgation in the Official Gazette on 25 February 2011. The Group management intends to utilize the possibilities stated in the scope of the law within the application period for some of its subsidiaries with respect to the base increase of corporate tax and VAT tax as well as the contentious issues. According to the law, no assessment will be made related to the taxes and periods for which the tax bases will be increased, between the years of 2006 and 2009. The deadline for the application to take advantage of the law is 2 May 2011 and the calculations for determining the final amounts have not been finished yet. However, within the scope of the possibilities provided by the law, the additinal tax amount scheduled to be paid within the 36-month term has been calculated approximately as TL 7.363.205 (including interest costs due to due date difference calculated in accordance with the law). A tax amnesty provision has been accounted for at this amount in the financial statements as at 31 December 2011 (Note 20). In accordance with the relevant law, for the companies that benefit from the corporate tax base increase, 50% of the unused statutory tax losses can not be deducted from the profits in 2010 and subsequent years. The Group management has calculated the total amount of such losses as TL 28.055.376 and took into consideration the necessary adjustments related to the deferred tax calculation in the financial statements as at 31 December 2011. The Group has made application under this law in 2011 and the tax amnesty obligations have become definite. Thus, the Group classified the amounts which were recorded as tax amnesty provisions under the current and non-current debt provisions as at 31 December 2011 to the tax amnesty obligations under the other current and non-current payables as at 31 December 2012. As at 31 December 2012, the short term tax amnesty obligations amounted to TL 2.905.789 (2011: TL 2.613.585) and the long term tax amnesty obligations amounted to TL 988.709 (2011: TL 3.952.156).

Transfer pricing

The transfer pricing provisions are set out under the Article 13 of the Corporate Tax Law under the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via transfer pricing dated 18 November 2007 sets out details about the implementation of these provisions. If a tax payer enters into transactions regarding the sale or purchase of goods and services with related parties, where the prices are not set in accordance with an arm's-length basis, the related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as a tax deductible for corporate income tax purposes.

Explanations regarding deferred tax

Due to the above-mentioned cancellation decision of the Constitutional Court, the Group's joint ventures and subsidiaries' unused investment incentives could be used as a tax exemption without time limit. As at 31 December 2011, since these companies with unused investment incentives can benefit from the exemption in the future, a total deferred tax asset amounting to TL 1.475.905 has been recognized in the consolidated financial statements.

Tax exemption of real estate investment trusts

The real estate investment trusts are exempt from corporate tax in accordance with the Corporate Tax Law numbered 5520, 5th Article and the subparagraph (1) d. According to the 15th Article of this law, even when the earnings of the real estate investment trusts are not distributed, they are subject to the withholding tax of 15 %. However, in the scope of the authorization provided by the law to the Council of Ministers, the withholding tax rate to be applied was determined to be zero with the decision of the Council of Ministers numbered 2003/6577.

Tax exemption on maritime operations

The Turkish International Ship Registry Law, authorized on 16 December 1999, is designed to accelerate the development of the Turkish maritime sector and increase its contribution to the Turkish economy. The law supports the procurement and operation of ships registered on the Turkish International Ship Registry, and yachts registered to the inventory of tourism companies. Income generated through the vessels covered by the law is not subject to income tax and expenses related to these operations are considered as disallowable expenses.

Income withholding tax:

The usage of investment incentives was redesigned with the amendments to the related tax law published in the Official Gazette dated 1 August 2010. Accordingly, to be applied onto the 2010 calendar year income, investment incentives that will be subject to the deducted amount shall not exceed 25% of income for the year of interest, while determining the tax base.

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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

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.

Tax expenses:

For the years ended 31 December 2012 and 2011, tax income/(expense) comprised the following:

	2012	2011
Current tax charge	(10.354.451)	(11.059.398)
Deferred tax benefit	24.498.038	19.058.175
Total	**14.143.587**	**7.998.777**

As at 31 December 2012 and 2011, current tax liability for the period comprised the following:

	2012	2011
Current tax charge	10.354.451	11.059.398
Taxes paid during period	(9.932.992)	(10.718.442)
Total	**421.459**	**340.956**
Payment of previous year tax liability	2.571.160	2.097.912
Change in prepaid taxes	509.935	132.292
Income tax payable	**3.502.554**	**2.571.160**

The tax reconciliation for the years ended 31 December 2012 and 2011 is as follows:

	%	2012	%	2011
Profit/(loss) before income tax		102.530.950		(93.104.005)
Corporate tax using domestic rate	20,00	(20.506.190)	20,00	18.620.801
Disallowable expenses	0,36	(374.070)	(9,51)	(8.850.089)
Effect of unrecognized tax losses	(1,84)	1.885.977	(5,13)	(4.775.427)
Effect of tax exemption on maritime operations	(3,12)	3.194.467	2,91	2.706.702
Effect of non-taxable income	(2,60)	2.664.821	1,09	1.013.215
Gain on sale of joint venture exemption	(9,38)	9.613.083	-	-
Effect of non-taxable income from the sale of joint venture	(16,79)	17.219.583	-	-
Investment allowance	0,00	(3.613)	(0,33)	(302.653)
Other	(0,44)	449.529	(0,44)	(413.772)
	(13,79)	**14.143.587**	**8,59**	**7.998.777**

Deferred Tax:

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.

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.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2012 and 31 December 2011, the deferred tax assets and liabilities reflected to the consolidated financial statements are as follows:

	2012	2011
Deferred tax assets	28.332.356	25.727.030
Deferred tax liabilities	(121.448.701)	(127.287.607)
Total	**(93.116.345)**	**(101.560.577)**

For the years ending 31 December 2012 and 31 December 2011, the movement of deferred tax assets and liabilities is as follows:

	2012	2011
Balance at the beginning of the year	(101.560.577)	(73.866.696)
Deferred tax income	24.498.038	19.058.175
Currency translation differences	6.441.086	(23.245.004)
Recognized in equity	9.030	(22.994.471)
Exclusion from scope of consolidation	(14.413.404)	-
Business combination effect (Note 3)	(8.090.518)	(512.581)
	(93.116.345)	**(101.560.577)**

Deferred tax assets and deferred tax liabilities as at 31 December 2012 and 31 December 2011 are attributable to the items presented in the table below:

	2012		2011	
	Temporary differences	Deferred tax assets/ liabilities	Temporary differences	Deferred tax assets/ liabilities
Accumulated tax losses	56.499.914	11.299.983	48.434.080	9.686.816
Deferred connection fee revenue	-	-	54.806.283	10.961.257
Receivables	15.292.311	3.058.462	22.607.970	4.521.594
Investment allowance	-	-	7.379.523	1.475.905
Valuation differences of marketable securities	2.467.232	493.446	(354.138)	(70.828)
Provisions	46.907.099	9.381.420	995.134	199.027
Provision for employement termination indemnity	2.805.413	561.083	2.264.068	452.814
Change in value of derivative instruments	2.076.835	415.367	2.062.711	412.542
Property, plant and equipment, intangible assets and concession intangible assets	(610.473.833)	(122.094.767)	(639.528.781)	(127.905.756)
Loans and prepaid commissions of the loans	(2.648.885)	(529.776)	(12.457.784)	(2.491.557)
Valuation of investment property		-	811.958	162.392
Other	21.492.191	4.298.437	5.176.071	1.035.217
		(93.116.345)		**(101.560.577)**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2012 and 31 December 2011, the breakdown of the accumulated tax losses carried forward in terms of their final years of utilization is as follows:

	31 December 2012		31 December 2011	
	Recognized	**Unrecognized**	**Recognized**	**Unrecognized**
Expiry years of the tax losses carried forward				
2012	–	–	–	1.038.220
2013	374.469	250.578	1.180.318	4.307.194
2014	348.026	1.702.634	2.829.238	3.437.365
2015	39.496.245	1.624.779	21.773.647	1.024.917
2016	13.359.402	–	22.650.877	2.799.848
2017	2.921.772	–	–	–
	56.499.914	**3.577.991**	**48.434.080**	**12.607.544**

Unrecognized deferred tax assets and liabilities

At the reporting date, the Group has statutory tax losses available for offsetting against future profits which are shown above. Such losses carried forward expire until 2017. Deferred tax assets have not been recognized in respect of some portion of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits there from.

32 EARNINGS PER SHARE

For the years ended 31 December 2012 and 2011, earnings per share are calculated by dividing the net profit attributable to owners of the Company by the weighted average number of shares outstanding.

	1 January– 31 December 2012	1 January– 31 December 2011
Net profit/(loss) for the year	108.074.628	(81.954.759)
Net profit from continuing operations for the year	108.074.628	(81.954.759)
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)	(60.482.404)	(63.276.300)
Weighted average number of shares	164.521.283	161.727.387
Earnings per share with par value of TL 1 (TL full)	0,6569	(0,5067)
Earnings per share of continuing operations with par value of TL 1 (TL full)	0,6569	(0,5067)

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

33 RELATED PARTY DISCLOSURES

The related parties shown in the related party disclosures and the nature of the relation of the Group with these parties are as follows:

Related party	Nature of relations
Mehmet Kutman	Shareholder and key management personnel
Erol Göker	Shareholder and key management personnel
Tahsin Bensel	Key management personnel
Global Portföy	Associate (Note 14 ve Note 36)
Naturelgaz	Joint venture
Global A Type and B Type Funds	Funds of a subsidiary
Torba	Unconsolidated subsidiary (Note 2.1.c.iii)
Turkcom Turizm Enerji İnşaat Gıda Yatırımlar A.Ş. (Turkcom)	Company owned by shareholder

Due from related parties

As at 31 December 2012 and 2011, current receivables from operations in finance sector-due from related parties comprised the following:

Short-term receivables from operations in finance sector due from related parties	31 December 2012	31 December 2011
Turkcom [*]	9.994.079	9.661.232
Global A Type and B Type Funds	2.291	265.276
Other	984.676	24.390
Total	**10.981.046**	**9.950.898**

[*] Balances consist of loans extended for regular margin lending activities. The receivables are secured with equity securities. Interest is charged on the receivables based on market interest rates.

As at 31 December 2012 and 2011, other current receivables from related parties comprised the following:

Other short-term receivables from related parties	31 Aralık 2012	31 Aralık 2011
Enerji Yatırım Holding [1]	-	36.137.399
Naturel Gaz [1]	4.791.740	2.148.075
Mehmet Kutman [2]	642.895	1.614.627
Turkcom	5.743.333	1.262.220
Metangaz	-	673.445
Çorumgaz	-	346.272
Kentgaz	-	286.806
Erol Göker [2]	-	26.968
Tahsin Bensel	1.057	218
Other	3.657.717	3.249.900
Total [3]	**14.836.742**	**45.745.930**

[1] These balances consist of advances provided by shareholders to finance working capital needs of the projects which are not covered by long term project finance loans. No guarantee is obtained in relation to these receivables. Interest is charged on the receivables except those given as capital advance (TL interest rate: 31 December 2012: 13,75%, 31 December 2011: 16%) (USD interest rate 6,29%).
[2] These amounts are related with the personnel and work advances and they are not secured. Interest is charged on personnel advances which have not work advances (Interest rate: 31 December 2012: 15%, 31 December 2011: 16%).
[3] The amount excludes the loans provided to key management explained below.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

A subsidiary of the Group has provided secured loans to key management with a limit of USD 10.000.000 and an interest rate of Libor +3,5%, having annual coupon payments and a principal payment at the end of period, which mature on 30 December 2012. The maturity of this loan is extended to the date of 31 December 2013. As at 31 December 2012 and 31 December 2011, this receivable has been classified in other current receivables from related parties in the balance sheet. As at 31 December 2012, the principal of this loan amounted to USD 10.000.000 and the accrued interest amounted to USD 649.431. The total loan amounted to USD 10.649.431 (equivalent to TL 18.983.676 TL). As at 31 December 2011, the principal of this loan amounted to USD 10.000.000 and the accrued interest amounted to USD 650.491. The total loan amounted to USD 10.650.491 (equivalent to TL 20.117.712).

As at 31 December 2012, current receivables due from related parties (including the loan provided to key management by the Group) amount to TL 33.820.418 in the consolidated financial statements (2011: TL 65.863.642).

As at 31 December 2012 and 31 December 2011, other long-term receivables from related parties comprised the following:

Other long-term receivables from related parties	31 December 2012	31 December 2011
Torba (*)	5.029.659	5.029.659
Total	**5.029.659**	**5.029.659**

(*) The balance consists of an advance given for a real estate development project. The receivable balance has no guarantee. Interest was charged over this receivable until the date of loss of the control of Torba.

Due to related parties

As at 31 December 2012 and 2011, short-term payables from operations in finance sector-due to related parties comprised the following:

Short-term payables from operations in finance sector due to related parties	31 December 2012	31 December 2011
Global A Type and B Type Funds	-	95.312
Other	20.910	808
Total	**20.910**	**96.120**

As at 31 December 2012 and 2011, other short-term payables due to related parties comprised the following:

Other short-term payables to related parties	31 December 2012	31 December 2011
Kentgaz	-	741.414
Other	166.748	63.083
Total	**166.748**	**804.497**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2012 and 2011, other long-term payables due to related parties comprised the following:

Other long-term payables to related parties	31 December 2012	31 December 2011
Energaz	-	619.957
Other	16.220	16.220
Total	**16.220**	**636.177**

Transactions with related parties:

Transactions with key management personnel

For the years ended 31 December 2012 and 2011, the details of benefits to key management personnel comprised the following:

	1 January-31 December 2012	1 January-31 December 2011
Salaries	7.473.241	8.233.953
Bonuses	7.487.014	8.194.112
Attendance fees for Board of Directors	1.465.136	1.611.652
Other	272.660	120.624
Total	**16.698.051**	**18.160.341**

The Group's interest income earned from the loan provided to key management in 2012 amounts to TL 659.771 (2011: TL 613.338).

Transactions with other related parties

For the years ended 31 December 2012 and 2011, significant transactions with related parties comprised the followings:

	1 January-31 December 2012			1 January-31 December 2011		
	Interest Received	Commission Received	Other income	Interest Received	Commission Received	Other income
EYH (*)	-	-	-	1.794.322	-	293.578
Mehmet Kutman (**)	337.226	-	-	1.009.616	776	-
Turkcom (**)	1.613.904	-	-	322.311	-	-
Bilecik Demir Çelik	-	-	-	153.980	-	-
Erol Göker	10.336	-	2.100	68.451	546	2.400
Ortadoğu Liman	-	-	-	-	-	-
Global A Type and B Type Funds	-	7.765	-	-	307.232	-
Other	679.834	-	460.660	203.836	-	45.724
Total	**2.641.300**	**7.765**	**462.760**	**3.552.516**	**308.554**	**341.702**

(*) Includes interest on advances and other income.
(**) Includes margin lending and advance interest.

In addition, for the years ended 31 December 2012 and 2011, the portfolio management commission income earned from Global funds by the Group is TL 102.039 and TL 861.733, respectively.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

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.

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 are performed by conditional exchanges through custody cash accounts.

As at 31 December 2012 and 2011, 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 31 December 2012 and 2011 maximum credit risk exposure is as follows:

31 December 2012	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 the date of reporting	**15.132.390**	**49.831.124**	**52.232.294**	**87.602.462**	**29.570.783**	**4.874.352**	**36.745.850**	**275.989.255**
Portion of maximum risk covered by guarantee	3.901.882	18.983.676	-	-	-	-	-	22.885.558
A. Net book value of financial assets neither past due nor impaired	**14.491.314**	**49.831.124**	**52.232.294**	**87.602.462**	**29.570.783**	**4.874.352**	**36.745.850**	**275.348.179**
B. Financial assets that would otherwise be past due or impaired whose terms have been renegotiated	-	-	-	-	-	-	-	-
C. Net book value of assets past due but not impaired	**641.076**	-	-	-	-	-	-	**641.076**
Portion of risk covered by guarantee	148.338	-	-	-	-	-	-	148.338
D. Net book value of impaired assets	-	-	-	-	-	-	-	-
-Past due (gross book value)	6.875.430	-	1.260.806	-	-	-	-	8.136.236
-Impairment (-)	(6.875.430)	-	(1.260.806)	-	-	-	-	(8.136.236)
-Portion of the net book value covered by guarantee	-	-	-	-	-	-	-	-
-Not past due (gross book value)	-	-	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-	-	-
-Portion of the net book value covered by guarantee	-	-	-	-	-	-	-	-
E. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-	-	-

(*) The amounts from related parties are excluded. The receivables from related parties in the table are collectively presented under the title of "Receivables from related parties".

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

31 December 2011	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 the date of reporting	**17.131.339**	**80.844.199**	**34.637.181**	**15.547.560**	**56.766.860**	**8.225.854**	**33.239.884**	**246.392.877**
Portion of maximum risk covered by guarantee	8.406.774	30.067.908	31.200.690	8.125.843	-	-	15.035.644	92.836.859
A. Net book value of financial assets neither past due nor impaired	**14.040.526**	**80.844.199**	**34.637.181**	**15.547.560**	**56.766.860**	**8.225.854**	**33.239.884**	**243.302.064**
B. Financial assets that would otherwise be past due or impaired whose terms have been renegotiated	-	-	-	-	-	-	-	-
C. Net book value of assets past due but not impaired	**3.050.506**	-	-	-	-	-	-	**3.050.506**
Portion of risk covered by guarantee	2.528.115	-	-	-	-	-	-	2.528.115
D. Net book value of impaired assets	**40.307**	-	-	-	-	-	-	**40.307**
-Past due (gross book value)	7.521.735	-	1.261.852	-	-	-	-	8.783.587
-Impairment (-)	(7.481.428)	-	(1.261.852)	-	-	-	-	(8.743.280)
-Portion of the net book value covered by guarantee	40.306	-	-	-	-	-	-	40.306
-Not past due (gross book value)	-	-	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-	-	-
-Portion of the net book value covered by guarantee	-	-	-	-	-	-	-	-
E. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-	-	-

[*] The amounts from related parties are excluded. The receivables from related parties in the table are collectively presented under the title of "Receivables from related parties".

During the impairment tests of the financial assets, the Group considered the factors which show that the amounts to be collected are not collectible.

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

The maturity analysis of the assets overdue but not impaired is as follows:

	31 December 2012 Trade Receivables	31 December 2011 Trade Receivables
1 to 30 days overdue	424.869	2.755.043
1 to 3 months overdue	74.289	273.478
3 to 12 months overdue	141.916	21.985
Total	**641.074**	**3.050.506**
Portion of assets secured by guarantee etc.	148.338	2.528.115

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 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 continuous accessibility of sufficient number of high quality creditors for each segment of the Group.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

31 December 2012

Contractual Maturities	Carrying Value	Total cash outflows due to contracts	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Derivative or Non-Derivative Financial Liabilities						
Bank loans	262.708.282	281.624.850	26.113.297	85.332.701	170.178.852	-
Debt securities issued	25.645.085	25.645.085	-	2.713.735	22.931.350	-
Derivative financial liabilities	47.835	47.835	-	47.835	-	-
Liabilities due to operations in finance sector	45.485.882	45.485.882	45.485.882	-	-	-
Finance lease obligations	6.584.549	7.553.651	755.286	2.018.439	4.779.926	-

Expected Maturities	Carrying Value	Total expected cash outflows	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Non-derivative Financial Liabilities						
Trade payables	13.186.355	13.186.355	7.492.863	5.693.492	-	-
Other payables	49.302.456	49.302.456	12.059.179	36.238.348	1.004.929	-
Liabilities due to operations in finance sector	3.774.684	3.774.684	3.774.684	-	-	-

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

31 December 2011

Contractual Maturities	Carrying Value	Total cash outflows due to contracts	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Derivative or Non-Derivative Financial Liabilities						
Bank loans	416.944.090	453.915.417	24.568.133	218.144.569	209.987.366	1.215.349
Debt securities issued	24.051.596	38.568.923	-	2.643.353	10.573.412	25.352.158
Derivative financial liabilities	2.062.711	2.062.711	-	2.062.711	-	-
Liabilities due to operations in finance sector	19.417.139	19.417.139	19.417.139	-	-	-
Finance lease obligations	4.586.087	4.963.672	545.922	1.533.157	2.884.593	-

Expected Maturities	Carrying Value	Total expected cash outflows	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Non-derivative Financial Liabilities						
Trade payables	60.891.701	60.891.701	56.139.280	4.752.421	-	-
Other payables	114.513.978	114.513.978	12.983.642	49.167.784	4.588.333	47.774.219
Liabilities due to operations in finance sector	4.839.915	4.839.915	4.437.744	402.171	-	-

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

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 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 is monitored and managed by the Company's centralized Treasury and Fund Management Department. Treasury and Fund Management Department uses forward transactions and option contracts to minimize possible losses from money market fluctuations.

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, 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 have 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.

The Group uses interest swaps and options in order to limit exposure to currency risk mainly arising from financial liabilities.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

As at 31 December 2012 and 31 December 2011, foreign currency risk exposures of the Group comprised the following:

	31 December 2012				
	TL Equivalent	**USD**	**EURO**	**GBP**	**TL**
1.Trade receivables	1.352.643	127.686	198.912	1.679	652.429
2.a Monetary financial assets	44.447.680	18.194.407	677.767	-	10.420.425
2.b Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets	**45.800.323**	**18.322.093**	**876.679**	**1.679**	**11.072.854**
5.Trade receivables	-	-	-	-	-
6.a. Monetary financial assets	22.718.134	12.200.238	-	-	969.990
6.b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets	**22.718.134**	**12.200.238**	**-**	**-**	**969.990**
Total Assets	**68.518.457**	**30.522.331**	**876.679**	**1.679**	**12.042.844**
10. Trade payables	5.405.706	300.757	409.622	64.019	3.722.483
11. Financial liabilities	50.419.647	27.672.144	454.464	-	22.520
12.a. Monetary financial liabilities	9.079.937	480.562	87.091	-	8.018.475
12.b. Non-monetary financial liabilities	-	-	-	-	-
13. Current liabilities	**64.905.290**	**28.453.463**	**951.177**	**64.019**	**11.763.478**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	107.354.360	58.561.663	1.259.659	-	-
16.a. Other monetary liabilities	4.582.548	-	-	-	4.582.548
16.b. Other non-monetary liabilities	-	-	-	-	-
17. Non-current liabilities	**111.936.908**	**58.561.663**	**1.259.659**	**-**	**4.582.548**
18. Total liabilities	**176.842.198**	**87.015.126**	**2.210.836**	**64.019**	**16.346.026**
Net foreign currency balance sheet position	**(108.323.741)**	**(56.492.795)**	**(1.334.157)**	**(62.340)**	**(4.303.182)**
Net foreign currency asset/liability position	**(108.323.741)**	**(56.492.795)**	**(1.334.157)**	**(62.340)**	**(4.303.182)**
Net monetary accounts foreign currency asset/liability position	**(108.323.741)**	**(56.492.795)**	**(1.334.157)**	**(62.340)**	**(4.303.182)**

Export	**-**	**-**	**-**	**-**	**-**
Import	**-**	**-**	**-**	**-**	**-**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

	31 December 2011				
	TL Equivalent	**USD**	**EURO**	**GBP**	**TL**
1.Trade receivables	660.660	109.547	161.042	6.409	41.488
2.a Monetary financial assets	28.459.024	11.069.704	360.978	3	6.667.296
2.b Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets	**29.119.684**	**11.179.251**	**522.020**	**6.412**	**6.708.784**
5.Trade receivables	-	-	-	-	-
6.a. Monetary financial assets	29.562.190	15.128.570	290.651	-	275.542
6.b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets	**29.562.190**	**15.128.570**	**290.651**	**-**	**275.542**
Total Assets	**58.681.874**	**26.307.821**	**812.671**	**6.412**	**6.984.326**
10. Trade payables	5.303.467	385.683	591.156	70.263	2.925.327
11. Financial liabilities	172.936.407	90.978.349	336.835	-	264.246
12.a. Monetary financial liabilities	32.802.790	12.480.077	163.074	-	8.830.650
12.b. Non-monetary financial liabilities	-	-	-	-	-
13. Current liabilities	**211.042.664**	**103.844.109**	**1.091.065**	**70.263**	**12.020.223**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	91.089.191	48.212.657	-	-	20.304
16.a. Other monetary liabilities	3.911.175	1.122	-	-	3.909.055
16.b. Other non-monetary liabilities	-	-	-	-	-
17. Non-current liabilities	**95.000.366**	**48.213.779**	**-**	**-**	**3.929.359**
18. Total liabilities	**306.043.030**	**152.057.888**	**1.091.065**	**70.263**	**15.949.582**
Net foreign currency balance sheet position	**(247.361.156)**	**(125.750.067)**	**(278.394)**	**(63.851)**	**(8.965.256)**
Net foreign currency asset/liability position	(247.361.156)	(125.750.067)	(278.394)	(63.851)	(8.965.256)
Net monetary accounts foreign currency asset/liability position	**(247.361.156)**	**(125.750.067)**	**(278.394)**	**(63.851)**	**(8.965.256)**

Export	**-**	**-**	**-**	**-**	**-**
Import	**740.600**	**-**	**303.053**	**-**	**-**

TL foreign currency risk of subsidiaries and joint ventures whose functional currency is other than TL, is shown in TL line in the foreign currency risk table.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements
as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

Sensitivity Analysis - Foreign currency risk

A 10 percent strengthening or depreciation of the Turkish Lira against the following currencies as at 31 December 2012 and 31 December 2011 would have changed 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 2012	PROFIT/LOSS		EQUITY (*)	
	Increase	Decrease	Increase	Decrease
	A 10 percent change in USD against Turkish Lira:			
1-Net USD asset/liability	(9.640.087)	9.640.087	-	-
2- Hedged portion against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	(9.640.087)	9.640.087	-	-
	A 10 percent change in Euro against Turkish Lira:			
4- Net Euro asset/liability	(313.754)	313.754	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
6- Net effect of Euro (4+5)	(313.754)	313.754	-	-
	A 10 percent change in other currencies against Turkish Lira:			
7- Net other currencies asset/liability	(17.897)	17.897	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
9- Net effect of other currencies (7+8)	(17.897)	17.897	-	-
TOTAL (3+6+9)	(9.971.738)	9.971.738	-	-

(*) Profit and loss excluded.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

31 December 2011	PROFIT/LOSS		EQUITY (*)	
	Increase	Decrease	Increase	Decrease
	A 10 percent change in USD against Turkish Lira:			
1-Net USD asset/liability	(22.856.405)	22.856.405	-	-
2- Hedged portion against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	(22.856.405)	22.856.405	-	-
	A 10 percent change in Euro against Turkish Lira:			
4- Net Euro asset/liability	(68.034)	68.034	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
6- Net effect of Euro (4+5)	(68.034)	68.034	-	-
	A 10 percent change in other currencies against Turkish Lira:			
7- Net other currencies asset/liability	(18.625)	18.625	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
9- Net effect of other currencies (7+8)	(18.625)	18.625	-	-
TOTAL (3+6+9)	(22.943.064)	22.943.064	-	-

(*) Profit and loss excluded.

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 liabilities exposed to interest rate risk and restricted use of derivative instruments.

Interest Position Table

		31 December 20112	31 December 2011
Financial Instruments with fixed Interest		**(68.809.221)**	**(205.516.308)**
Financial	Financial assets held for trading	4.784.791	8.156.349
Assets	Due from related parties	17.316.951	47.377.485
	Financial assets available for sale	-	56.641
	Receivables from money markets	38.110.821	27.471.798
	Bank deposits	11.383.177	47.743.789
Financial	Loans and borrowings	(101.048.957)	(279.910.477)
Liabilities	Other liabilities	-	(39.844.754)
	Liabilities due to operations in finance sector	(39.356.004)	(16.567.139)
Financial Instruments with variable interest		**(174.905.283)**	**(145.553.584)**
Financial Assets	Loans granted to the key management	18.983.676	20.117.712
Financial Liabilities	Loans and borrowings	(193.888.959)	(165.671.296)

As at 31 December 2012 and 31 December 2011, the Group used interest rate derivatives (swap) to hedge interest rate risk (Note 9).

Sensitivity analysis - interest rate risk

As at 31 December 2012, had the interest rates been higher by 100 base points and all other variables remain constant, profit before tax would have been lower by TL 1.749.053 (31 December 2011: profit before tax lower by TL 1. 1.455.536), the net profit attributable to the owners of the Company would have been lower by TL 1.399.242 (31 December 2011: TL 1.015.862) and total equity attributable to equity holders of the Company would have been lower by TL 1.294.991 (31 December 2011: TL 1.015.862). Had the interest rates been lower by 100 base points, the effect would be the same but in reverse position.

Capital risk management

The Group's objectives when managing capital are to provide the sustainability of the Group's operations in order to bring returns and benefits to the shareholders and to reduce the cost of the capital for maintaining an optimal capital structure.

The Group monitors the capital management by using debt/capital ratio. This ratio is calculated by dividing the net debt to total capital. Net debt is calculated by deducting cash and cash equivalents from total liabilities (the sum of financial liabilities). Total capital is the sum of net debt and equity. The Group's net debt ratio calculated with this method is 25% as of 31 December 2012 (2011: 36%).

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

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.

Fair values of cash and cash equivalents and other monetary assets 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 fair values. Carrying amounts of floating rate foreign currency liabilities, which are translated to Turkish Lira using the period-end rates, are assumed to reflect their fair values.

Carrying amounts and fair values of assets and liabilities are listed below:

		31 December 2012		31 December 2011	
Financial Assets	**Notes**	**Book Value**	**Fair value**	**Book Value**	**Fair value**
Cash and Cash Equivalents	6	49.079.630	49.079.630	63.279.456	63.279.456
Financial Investments	7	12.822.661	12.822.661	20.412.027	20.412.027
Trade Receivables	10	15.132.390	15.132.390	17.131.339	17.131.339
Receivables from Operations in Finance Sector	12, 33	63.213.340	63.213.340	44.588.079	44.588.079
Other Receivables	11, 33	126.452.540	126.452.540	86.440.861	86.440.861
Other Current and Non-current assets	23	59.454.910	59.454.910	81.561.158	81.561.158
Total		**326.155.471**	**326.155.471**	**313.412.920**	**313.412.920**
Financial Liabilities					
Financial Liabilities	8	294.937.916	294.937.916	445.581.773	443.685.929
Other Financial Liabilities	9	47.835	47.835	2.062.711	2.062.711
Trade Payables	10	12.887.457	12.887.457	60.891.701	60.891.701
Liabilities due to Operations in Finance Sector	12, 33	49.260.566	49.260.566	24.257.054	24.257.054
Other Payables	11, 33	49.302.456	49.302.456	114.513.978	114.513.978
Other Liabilities	23	2.264.206	2.264.206	6.538.720	6.538.720
Total		**408.700.436**	**408.700.436**	**653.845.937**	**651.950.093**

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 liabilities;

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 indirectly (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 2012	Level 1	Level 2	Level 3	Total
Financial assets held for trading	9.738.924	-	-	9.738.924
Financial assets available for sale	-	-	3.083.737	3.083.737
Derivative financial liabilities	-	(47.835)	-	(47.835)
	9.738.924	**(47.835)**	**3.083.737**	**12.774.826**

31 December 2011	Level 1	Level 2	Level 3	Total
Financial assets held for trading	13.450.794	-	-	13.450.794
Financial assets available for sale	-	-	6.961.233	6.961.233
Derivative financial liabilities	-	(2.062.711)	-	(2.062.711)
	13.450.794	**(2.062.711)**	**6.961.233**	**18.349.316**

36 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Real estates

The Group's real estates held for sale amounting to TL 862.751 (31 December 2011: TL 862.751) can be summarized as land in the Bozüyük district of the Bilecik province, with a total area of 29.500 m2 and land in the Bodrum district of the Muğla province, with a total area of 3.000 m2 which was owned by Global Yatırım Holding A.Ş.

Enerji Yatırım Holding and its Subsidiaries

The Group has signed a Share Purchase Agreement with STFA dated 25 May 2012. EYH, the joint venture of the Group which encompassed all the natural gas distribution and wholesale operations (except the CNG), has transferred all of its shares held, corresponding to 50% of the share capital of EYH to STFA who owns the remaining 50% of EYH. After the approval of EMRA, the transfer of the shares has been took place on 10 July 2012 with a sales price of USD 75.000.000. USD 51.500.000 is collected on sale and the remaining amount will be collected in installments.

The necessary application has been made to EMRA for equal partition of the transfer of the shares to STFA and Global Enerji regarding the shares of Naturelgaz, an associate of Enerji Yatırım Holding, engaded in the sales and distribution of compressed natural gas (CNG) (corresponding to 50% of the share capital). After obtaining the necessary permission from the EMRA for the transfer of the shares, the Group's indirect capital in Naturelgaz over from EYH comprises %25 of the shares have been transferred to Global Enerji whose %99,99 of the shares owned by the Group.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

While the income and expenses up to the date of sale have been consolidated, the assets and liabilities have been excluded from the scope of consolidation. Since EYH does not have a prepared financial statement as of 10 July 2012 and the difference of 10 days with 30 June 2012 is considered insignificant in the consolidated financial statements, Group decided to use the financial statements of EYH as of 30 June 2012 in order to account the sale.

As at 31 December 2012 the details of the gain on the sale of EYH and its subsidiaries, net cash inflow from the sale of joint venture and the net assets sold are presented below:

Sales price	136.005.000
Group's share in the net assets at the date of the sale	14.180.136
Gain on sale of joint venture (Note 28.1)	**150.185.136**

Sales price	136.005.000
Cash and cash equivalents at the date of EYH's sale	(4.676.450)
Net cash inflow from joint venture sale	**131.328.550**

Net assets sold	
Cash and cash equivalents	9.354.771
Other Trade Receivables	17.304.393
Other Receivables	6.586.761
Inventory	871.554
Other Current Assets	22.793.187
Financial Investments	1.115.115
Property, Plant and Equipment	3.777.453
Concession Intangible Assets	334.742.370
Intangible Assets	835.805
Deferred Tax Asset	28.832.575
Other Non-Current Assets	690.288
Financial Liabilities	(134.338.050)
Trade Payables	(56.284.031)
Other Payables	(121.123.677)
Provisions	(1.445.047)
Other Current Liabilities	(23.335.215)
Provision for Employement Termination Indemnity	(725.411)
Other Non-Current Liabilities	(112.080.922)
Due to Related Parties	(5.937.864)
Total	**(28.365.945)**
Effective ownership rate of the Group	49,99%
Group's share in the net assets at the date of the sale	**(14.180.136)**

Global Portföy

On 14 March 2011, a Framework Agreement was signed by and between the Company, Global Portföy and Azimut Holding S.p.A ("Azimut") related to the cooperation among the parties in asset management and marketing activities. According to the Framework Agreement, Azimut agreed to become a 60% shareholder of Global Portföy as well as a 5% shareholder of Global Menkul, either during the IPO of Global Menkul through the transfer of shares issued in the public offering or through a direct sale. Regarding the 5% shareholding in Global Menkul, Azimut purchased some of these shares through the IPO and the remaining portion of the shares through a transfer from Global Yatırım Holding on 22 June 2011 and 28 June 2011, respectively. In relation to the 60% shareholding in Global Portföy, the parties signed a Shareholders Agreement and a Contribution to Capital Increase and Investment Agreement on 8 August 2011 for the sale of Global Portföy. In accordance with these agreements, the necessary application was made to the CMB and Competition Authority. After obtaining regulatory approval, according to the General Assembly Meeting of Global Portföy, dated 24 February 2012 and registered 28 February 2012, the transfer was completed by increasing the share capital of Global Portföy from TL 2.534.000 to TL 6.335.000 and allocating the increased capital amounting to TL 3.801.000 to AZ International Holdings SA, a subsidiary of Azimut Holding S.p.A, established in Luxembourg. AZ International Holding SA has paid to Global Portföy amounting to TL 4.511.745 (sales price) which has corresponded to the capital increase amount (60%). The difference between the nominal value and the sales price of the shares has been recognized as share premium in the consolidated financial statements of Global Portföy. Thus, the Group's effective ownership ratio has decreased to 39,97% and as a result of loss of control, Global Portföy has been started to consolidate as an associate (investment in associates) instead of a subsidiary as of 28 February 2012.

At the end of the fourth year following the completion of the sale, depending on various conditions mentioned in the agreement, Azimut has rights to sell its shares in Global Portföy to the Group.

The gain on sale of a subsidiary and the net assets sold as a result of the transfer of the shares process through a capital increase, dated 28 February 2012,explained above in detail are as follows:

Sales price (through capital increase)	4.511.445
Group's share in the net assets at the date of the sale	2.765.670
Gain on sale of subsidiary (Note 28.1)	**1.745.775**

The net assets sold:	
Cash and cash equivalents	420.177
Other receivables	4.511.502
Financial investments	206.204
Due from related parties	53.889
Other current assets	44.194
Property, plant and equipment	6.305
Trade payables	(34.508)
Other payables	(434.651)
Liabilities due to operations in finance sector	(2.902)
Provisions	(99.314)
Provision for employement termination indemnity	(61.446)
Total	**4.609.450**
Effective ownership rate of the Group	60%
Group's share in the net assets at the date of the sale	**2.765.670**

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

The Group's share in the net assets (39,97%) was TL 1.748.166 in Global Portföy after the transfer of the shares on 28 February 2012 and was recognized as associate (investment in associates) in the consolidated financial statements.

As at 31 December 2011, the assets and liabilities of Global Portföy classified as held for sale due to reasons mentioned above are as follows:

Assets

	31 December 2011
Cash and cash equivalents	279.531
Other receivables	5.907
Investments	133.294
Due from related parties	205.474
Other current assets	18.606
Property, plant and equipment	6.304
	649.116

Liabilities

Trade payables	9.648
Other payables	33.085
Other current liabilities	157.935
	200.668

Bilecik Demir Çelik

In line with the Group's investment targets and strategies and in order to concentrate on investments in port operations, energy, financial services and real estate development, the Group decided to exit from its steel-iron investments as it is outside the Group's core business sectors. Accordingly, on 15 September 2011, all the shares (39,99%) held by the Group in Bilecik Demir Çelik, a joint venture of the Group, were sold to Ada Metal, the other shareholder of the joint venture. The sale price had a nominal value of TL 5.999.999 and a carrying value of TL 4.985.380. The main portion of the sale price will be collected in 2012 and the remaining portion will be collected in 2018. In accordance with the concurrent protocol to the share transfer agreement signed on 7 September 2011 with Ada Metal in relation to this transaction, the Group's receivables from Bilecik Demir Çelik (Note 11) will be collected in 2018 in instalments.

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

The details of the gain on the sale of the joint venture and the net assets sold are presented below:

Sales price	4.985.380
Group's share in the net assets sold	(1.828.635)
Gain on sale of joint venture (Note 28.1)	**6.814.015**

The Group's share in the net assets sold (39,99%):	
Cash and cash equivalents	24.739
Other receivables	460.199
Inventories	890.405
Other assets	1.374.947
Property, plant and equipment	15.579.230
Intangible assets	5.119
Loans and borrowings	(11.923.266)
Trade payables	(3.557.621)
Other payables	(4.682.387)
Total	**(1.828.635)**

37 GOVERNMENT GRANTS

As explained in detail in Note 31, the Group benefits from investment allowance and miscellaneous tax exemptions.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

38 EVENTS AFTER THE REPORTING PERIOD

(i) The Board of Directors, have resolved in compliance with the CMB's resolution dated August 10 2011 and numbered 26/767;

The price of the company stock which is being traded at ISE is close to its nominal price due to the crisis which has begun on a global scale and which continues to affect Europe; company stock price does not reflect the true performance of the Company's operations; stakeholders' legitimate expectations on dividend distribution which the company can not realize due to various legislation provisions (due to the requirement of the presence of profit available for distribution in both the legal financial statements and the financial statements which are being prepared in accordance with the CMB regulations, company was unable to distribute any profit since there was no profit available for distribution in its legal financial statements although the company had profit available for distribution according to its financial statements which are being prepared in accordance with the CMB regulations.); repurchase shares after the analysis of the current market conditions in order to reduce share price fluctuation and to support the price of the shares which are being traded at ISE if found necessary;

- As of the date of this Repurchasing Program, the shares with the nominal value of TL 22.500.368, that is 10% of the paid capital at the amount of TL 225.003.687,45 can be repurchased within 18 (eighteen) months,
- A fund at the maximum amount of TL 30.000.000 to be absorbed from the company sources and the revenue provided form its activities can be used for repurchasing,
- For the repurchasing of the shares up to maximum rate above, the lower price limit is TL 0- and the upper price limit is TL 2,
- The shares owned through the repurchased shares shall not be sold back and need to be cancelled at the end of the retaining period of maximum 3 years by capital decrease,
- For these purposes, The Repurchasing Program term is 18 months since the authorization of Board of Directors by General Assembly,
- As of 14 August 2012, based on the Repurchasing Program, The Board of Directors authorized at the BOD meeting, numbered 791, held on 30 March 2012 and submitted on 5 April 2013 by the General Assembly, the share of the Group has been increased to 5,38%.

(ii) Group has mandated JP Morgan Limited as the exclusive advisor to carry out a study on strategic alternatives for Group's investment in Global Liman, including:

- Sale of Global Liman shares in whole or in part; and/or
- Merger, setting up a joint venture, or creating an alliance in any other form with another stretegic investor; and/or
- Sale, lease or exchange of port assets owned by Global Liman in whole or in part

Group will continue public annoucements on progress.

(iii) On 15 January 2013, AZ International Holdings S.A., currently holding 5% share in the Group's subsidiary Global Menkul, has reported that they exercised their call option to acquire an additional 5%, to increase their shareholding in Global Menkul to 10%.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

(vi) Company's 725 days floating rate, quarterly interest TL 75.000.000 bonds that issued to qualified investors had approved by CMB decision dated on 22 January 2013 and numbered 3/52. Within this scope, sale of 725 days floating rate TL 75.000.000 bonds issued to qualified investors without going public completed on 25 January 2013.

Company's 1.116 days floating rate, every 31 days coupon paying TL 75.000.000 bonds that issued to qualified investors had approved by CMB decision dated on 26 March 2013 and numbered 10/321. Within this scope, sale of bonds issued to qualified investors without going public completed on 29 March 2013.

(v) The share transfer transaction of STFA Yatırım Holding's shares in Naturelgaz which corresponds to 25% of the total shares to Global Energy has completed on 18 January 2013, following the transfer Group's shareholding in Naturelgaz increased to 80%.

(vi) As at 21 December 2012, the Group signed a Share Purchase Agreement with Savina Holding, minority shareholder of Global Liman for the purchases of 22,114% shares of the subsidiary of Global Liman as at 24 December 2012. The share purchase agreement that included the dividend payments, acquisition value is USD 95.945.000.

The share purchase agreement which comprises the transfer of 22,114% shares amounted USD 91.724.063 after deduction of dividend payment from Savina to the Group has been completed as at 7 February 2013 after the approval of Competition Board. After the completion of the transfer of the shares, the Group's shares in Global Liman increases to 99,99%.

(vii) As at 26 February 2013 the Fourth Chamber of Ankara Commercial Court decided to reject the Lawsuit of Başkent Doğalgaz. With respect to the notification of the decision taken by the court, the entity has applied to the Supreme Court. On the other hand, lawsuit of "cancellation of the Letter of Guarentee given to the Municapility" has been going on 13th Chamber of Council of State.

Moreover, the second best tender offer Joint Venture Group whose letter of guarantee is liquidated by the Municipality, has won a lawsuit against the Municapility which is related with the "cancellation of the Letter of Guarentee given to the Municapility.

Başkent Natural Gas Distribution Inc.'s tender Group's shareholder structure of the Joint Ventures is as follows;

- Global Yatırım Holding A.Ş: 51,66%
- ABN Amro Infrastructure Capital Management Ltd.: 33,33%
- STFA Yatırım Holding A.Ş.: 10%
- Energaz Gaz Elektrik Su Dağıtım A.Ş.: 5%
- Erol Göker: 0,01%

With respect to the shareholder structure illustrated above, the entity is responsible from USD 25.830.000 of the collateral letter given to the Municapility.

Global Yatırım Holding A.Ş. and its Subsidiaries
Notes to the Consolidated Financial Statements as at and for the Year Ended 31 December 2012
Currency: Turkish Lira ("TL") unless otherwise stated.

This issue is evaluated as the adjusting subsequent event after the balance sheet date. The Group, allocated provision amounted USD 50.000.000 (TL 89.130.000) as at 31 December 2012. However the Group's lawyers has sent written warning to consortium partners to recompense the remaining amount of USD 24.170.000 (TL 43.085.442) from the consortium partners that are STFA, ABN Amro and Energaz with respect to the agreement's related clauses of "consortium ownership".

(viii) According to the board meeting as at 22 February 2013, the capital increase right of the board of the entity had been finished at the end of 2012 therefore the board has applied to the Capital Market Board and Ministry of Cuastom and Trade for amendments of Company's 6th Article's of Association and extending the merit of the Article's of Association 5 years more and after completion of required permission from regulatory authorities , the entity is going to submit for the approval of General Assembly. The amendments of the Article's of Association is a processual transaction that is totally related with keep on going in the system of Authorized Capital, it does not reflect to any kind of capital increase decision of the entity.

The entity has made an application to the CMB as at 25 February 2013 and as at 6 March 2013 the CMB published the confirmation of the application of the entiy in its numbered 2013/07 weekly CMB bulletin.

(ix) As at 22 March 2013, the Group had decided to organize a Committee that is related for the proactive risk tracing and detecting of the operations of the entity, the Comittee members are assigned from board who are Jerome Bernard J.A. Bayle (Chairman), Ayşegül Bensel (Member) ve Adnan Nas (Member) with respect to the new amendments of CMB's Corporate Governance Principle and Pracitice Notification.

39 OTHER MATTERS THAT SIGNIFICANTLY AFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR MAKE THE CONSOLIDATED FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.

www.globalyatirim.com.tr
ir.globalyatirim.com