

Date: 09.04.2013

Subject: YE 2012 Financial Statements

Attendees: Kerem Eser–Global Yatırım Holding
Alper Akalın–Ekspres Yatırım
Sertan Çevik–Halk Portföy
Oğuz Zıddıoğlu–Halk Portföy
Serkan Şahin- Individual
Ömer Aydın- Individual
Mert Bal– Individual

Kerem Eser:

We announced our 4Q 2012 financial results and passed a successful year with rapid growth continuing. It was a dynamic year in terms of financials as well as investments and operations. As you are aware, the first quarter of 2013 is also continuing with the same speed. When the financial results are assessed, our consolidated revenue was TL328.4mn. The decrease compared to the last year was attributable to Energaz, the company which was divested in July 2012 and hence, contributing to 2012 revenues for 7 months only. Comparing two years excluding Energaz revenues, there is a 17% increase in our business division revenues on a consolidated basis.

Consolidated EBITDA is TL213.6mn, compared to TL85mn last year.

Our net profit after tax is TL108.1mn and this is the second highest profit figure since Global Investment Holdings has been restructured as a holding company in 2004. The profit figure could have been higher, but as you know, there is a provision expense incurred from Başkentgaz tender. The lawsuit process is still continuing and we believe that it will result in our favor. Another factor affected the net profit was the depreciation and amortization charges. It is amounted to about TL48.3mn in 2012. There were also important debt structuring that affected our financial statements in 2012. In July 2012, the Group has fully divested its interest in regional gas distribution assets (Enerji Yatırım Holding) for a total consideration of USD75.0mn, generating TL150.2mn in revenues. This sale contributed to our financials positively in terms of profitability. The credit debt for a consideration of USD37mn was excluded from the scope of consolidation with the sale.

Continuing with energy operations, as you remember, we acquired 25% of Naturelgaz shares in May 2011. We increased our shares in Naturelgaz to 80% by acquiring 25% at the end of 2012 and then 30%. The income statement of Naturelgaz was only 25% consolidated until 31 December 2012, whereas its balance sheet was 55% consolidated on a proportional basis. It will be fully consolidated starting from 2013.

In the Group's port division, we sold our 22.4% shares in Global Ports Holding to Italian VEI Capital in 2011, we re-acquired these shares in February 2013. The reason of this re-acquisition is to grow the port division in line with our goals. We had seen that we wouldn't have realized this growth with our previous partner. In January 2013, we mandated JP Morgan Limited as the exclusive advisor to carry out a study on strategic alternatives for Global Ports Holding. Non-binding offers have been received from potential investors and such offers are being fully evaluated by the Company.

Q&A Session

Alper Akalin-Ekspres Yatırım: Congratulations for the dividend decision. I believe that the holding discount would be decreased by means of continuing this dividend policy. I have a question regarding the factor that could affect the Holding discount negatively: there is an increase in Holding's indebtedness level with the acquisition of Naturelgaz and Global Ports' shares. Even though the successful recent bond issues, is it possible for the holding to have a paid in capital increase?

My second question is regarding the finance segment's cost increase. Even though there is an improvement in the Company's operations, when we look at the profit figures excluding Energaz, there is a cost increase in the financial segment. The Company reported a TL38mn loss, Energaz excluded, while creating a TL11mn real operating profit in 2011. I would like to learn the reason of this increase.

Kerem Eser: First of all, thank you for your comments. Paid capital increase is not in our agenda, it hasn't been in our agenda since the last paid capital increase in 2008.

There is an increase in indebtedness level but it depends on what you base it on, because our debt figure at the end of 2012 is quite low. As we said before, we are not a traditional holding company. There are asset purchases and sales every year. We consider asset purchases and sales as part of our operations. Accordingly, in this respect our total debt at the end of 2012 is low.

Regarding your second question, firstly, there hasn't been an increase in our operational expenses compared to last year. The reason of the decrease in the finance segment was not the increase in costs. There is a decrease in finance segment's revenue compared to 2011 due to market conditions.

Sertan Çevik-Halk Portföy: My first question; are you still interested in Galataport? Will you enter into a consortium?

Secondly, what is the last situation regarding the Şırnak project, are you going to make an announcement soon?

Kerem Eser: We are still interested in Galataport, both Pera's and Holding's investments have been along this way. We are working on the tender with our consultants. Studies are continuing, as you said it can be a consortium.

The studies regarding the Şırnak project are still continuing, as you know it is a very big project. The expropriation studies have been taking a long time, we had finished this part. And now, the studies regarding the forest lands are continuing. The project is continuing with the same speed.

Oğuz Zıddıoğlu-Halk Portföy: In the presentation you shared with us, it is written that there is an effective cost control in ports, regarding the EBITDA margin. Could you give some details about it?

Kerem Eser: Effective cost control in ports is permanent. There are two scopes; the first one is directly related to production which affect the cost of sales and the other one is the general administrative expenses which is based on operations. These are followed up continuously and it is interfered even if there is a small variation in profit margins.

Serkan Şahin-Individual: Firstly, I would like to ask the acquisition of feldspar mining, we don't have so much information on it. Could you give us some details?

Secondly, you had acquired 80% shares of Geliş Madencilik for Şırnak Thermal Power Plant Project. When we do some research on this company, we see that it has other important projects other than asphaltite mining. Have you considered other projects?

Kerem Eser: In the portfolio re-structuring of the energy segment gives priority to energy generation. We now enter into mining sector. Mining is a sector that has a good future with growth potential. Feldspar mining is not a very big investment compared to our other investments. However, it is currently in operation, accordingly we think that it will provide a positive contribution to our company.

We consider Geliş as an integrated part of Şırnak Thermal Power Plant. We only take the coal mine over from them, not other segments. We get the mining right with this company.

Serkan Şahin-Individual: Do you think about taking any other coal mining rights?

Kerem Eser: We receive numerous projects and we assess them all. But I cannot say that it is our main strategy.

Ömer Aydın-Individual: I find the dividend rate low; I am asking your comments on it. The lawsuit process regarding Başkentgaz is still continuing, my expectation is that such risky projects shouldn't be in the agenda.

Kerem Eser: It is necessary to look at year 2008 to decide whether Başkentgaz is a risky project or not. It is necessary to look at the situation of Turkey and the world in 2008. The current decision should be regarded as an interlocutory judgment, the case proceeds.

As you know, we had some legal restrictions regarding the dividend distribution, the decision taken by the Board is determined at an optimum level.

Mert Bal-Individual: My question is related to Pera. We started to receive rent in March 2011, total rent revenue for last year in the balance sheet is TL4,427,000. Total rent revenue for this year is TL4,712,000. That means tenants don't pay a turnover share. If we don't receive a turnover share, what is the reason of it?

Kerem Eser: It is not easy to make comparison through financial statements. Rent revenue is shown with some adjustments. Besides, it is continued to be supported with marketing costs etc. In terms of rent revenue, we continued to support the tenant mix with decorations on the retail side. These are shown on the rent side with some adjustments; therefore you may not make a clear comparison. Turnover shares don't provide a positive contribution at the saturation point yet. Hence, we need to support it for a while.

Alper Akalın-Ekspres Yatırım: Will dividend distribution continue? The Company has reported amortization due to re-evaluation of Port Akdeniz. Does it affect the dividend distribution?

Will the shares that are bought back with the buyback program, will be eliminated?

Kerem Eser: Starting with your second question, the program is still continuing as announced.

The re-evaluation of Port Akdeniz doesn't have an effect from the technical aspect; it affects the consolidated financial statements as per CMB regulations. There isn't any difficulty regarding the profit.