

**Global Yatırım Holding Anonim Şirketi  
and its Subsidiaries**

Convenience Translation into English of  
Condensed Consolidated Interim  
Financial Statements

As At and For The Six-Month Period

Ended 30 June 2016 With

Independent Auditors' Review Report Thereon

# **Global Yatırım Holding Anonim Şirketi and its Subsidiaries**

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## CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITORS' REVIEW REPORT ORIGINALLY PREPARED AND ISSUED IN TURKISH TO ENGLISH

### To the Board of Directors of Global Yatırım Holding A.Ş.

#### *Introduction*

We have reviewed the accompanying condensed consolidated statement of financial position of Global Yatırım Holding A.Ş. (referred to as "the Company") and its subsidiaries (together the "Group"), as of 30 June 2016, and the related consolidated statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the six month interim period then ended. Management is responsible for the preparation and fair presentation of this consolidated interim financial information in accordance with Turkish Accounting Standard 34, "Interim Financial Reporting" (TMS 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

#### *Scope of review*

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information does not present fairly, in all material respects, in accordance with TAS 34 "Interim Financial Reporting" Standard.

#### *Emphasis of Matter*

Without qualifying our opinion, we draw your attention to the Note 19 of the accompanying consolidated financial statements:

As explained in detail in Note 19, the pending lawsuit numbered 2010/920E before 13th Department of Council of State between Ankara Metropolitan Municipality ("the Municipality") and Joint Venture Group ("JVG"), in which the Group is one of the venturers, regarding the cancellation of decision of the Municipality for the 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, resulted against the JVG on 8 May 2014 and the decision is appealed by the Group. The appeal is rejected and the Company returned to the Court for the revision of the decision.

On the other hand, on 26 February 2013 the pending lawsuit numbered 2010/308E before Ankara 4th Commercial Court regarding the prevention of the liquidation of Letter of Guarantee amounting to USD 50 million given by the Group and to dissolve the dispute resulted against the JVG and the related preliminary injunction has been repealed. The Group appealed the decision of Ankara 4th Commercial Court dated 26 February 2013 on the lawsuit numbered 2010/308E regarding the prevention of the liquidation of Letter of Guarantee and to dissolve the dispute. As a result of the appeal, the 11<sup>th</sup> Chamber of Supreme Court acknowledged the Group's objections and reversed the decision of Ankara 4th Commercial Court in favor of the Group. The defendant Municipality requested for the revision of decision of the 11<sup>th</sup> Chamber of Supreme Court, the Supreme Court also rejected this revision request in favor of the Company. The file returned to the Court of First Instance and this court will re-trial with a new file number 2016/37 in view of the Supreme Court's decision.

As a result the lawsuit resulted against the Group on 26 February 2013, the Group accounted its obligations arising from the decision of the Court of First Instance in its consolidated financial statements as at 31 December 2012. As at the date of reporting period, the Letter of Guarantee amounting to USD 50 million has been liquidated and paid in cash by the Group and legal proceedings with regard to reimbursement of the share of the other members of the JVG which is recognized as other receivables have been initiated. In 2014, the Group, came to an agreement with the two members of the JVG on the continuing lawsuits regarding the reimbursement of the related costs, collected the related agreed amounts and adjusted its consolidated financial statements accordingly. However, the lawsuits regarding the reimbursement of the related costs against the other member of the JVG is pending.

Additionally, the Municipality filed a lawsuit numbered 2013/206E against the JVG before 4th Ankara Commercial Court in request for the compensation for unlawful preliminary injunction. The Group requested for a nonsuit and for awaiting the finalization of the decisions of the superior court by reasoning the fact that the compensation lawsuit was filed before giving ruling on the primal lawsuits conducted before other courts, and also requested for evidencing of tangible damages of plaintiff and determining of the scope of compensation in accordance with the Code of Obligation Article 51. On 27 April 2016, the Court decided to pend the filing until the finalization of the lawsuit numbered 2016/37 E. which is on trial in the same court as described above.

As explained in detail in Note 19, 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 at the Council of State and requested an injunction.

As at the date the consolidated financial statements were authorized for issue, the litigations mentioned above are being held at different stages of the judicial proceedings and include uncertainty regarding the ultimate outcome of the resolutions. The Group management, based on consultation with the Group legal attorneys, has not provided any provision with respect to aforementioned litigation matters in the accompanying consolidated financial statements.

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



Burç Seven, SMMM  
Partner

Istanbul, 17 August 2016

*Additional paragraph for convenience translation to English*

The accompanying condensed consolidated interim financial statements are not intended to present the consolidated financial position and the consolidated results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Turkey.

## GLOBAL YATIRIM HOLDİNG A.Ş. AND ITS SUBSIDIARIES

### CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT FOR THE INTERIM PERIOD ENDED 30 JUNE 2016

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**Global Yatırım Holding A.Ş. and its Subsidiaries**  
**Condensed Consolidated Interim Statement of Financial Position**  
as at 30 June 2016  
*(Currency Turkish Lira ("TL") unless otherwise stated)*

		Reviewed	Audited
		30 June	31 December
	Notes	2016	2015
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	218.395.542	296.169.494
Financial Investments	8	3.025.013	15.540.728
Trade receivables		94.978.227	81.927.492
- Trade Receivables Due From Unrelated Parties	10	94.978.227	81.927.492
Other receivables		62.281.259	52.522.160
- Other Receivables Due From Related Parties	6	51.175.936	44.991.563
- Other Receivables Due From Unrelated Parties	11	11.105.323	7.530.597
Receivables from operations in finance sector		71.180.330	70.792.190
-Receivables From Financial Sector Operations Due From Related Parties	6	12.072.581	9.944.862
-Receivables From Financial Sector Operations Due From Unrelated Parties	12	59.107.749	60.847.328
Inventories	13	68.144.694	59.483.667
Prepayments	14	74.685.965	49.094.733
Current Tax Assets	22	6.870.675	2.306.088
Other current assets	22	47.599.317	42.718.553
		<b>647.161.022</b>	<b>670.555.105</b>
<i>(Subtotal)</i>			
Non-current Assets or Disposal Groups Classified as Held for Sale	35	862.751	862.751
<b>Non-current assets</b>			
Other receivables		60.021.917	61.759.060
Financial Investments	8	7.374.550	7.234.573
Investments accounted for using equity method	18	39.391.399	19.268.403
Investment property	15	374.041.314	374.912.000
Property, plant and equipment	16	609.582.458	563.508.560
Intangible assets and goodwill		1.575.232.703	1.613.302.554
- Goodwill	17	56.062.712	56.242.758
- Other intangible assets	17	1.519.169.991	1.557.059.796
Prepayments	14	30.575.926	32.262.624
Deferred Tax Asset	34	95.674.012	81.901.326
Other Non-current Assets	22	13.220.450	13.258.249
<b>TOTAL ASSETS</b>		<b>3.453.138.502</b>	<b>3.438.825.205</b>

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

**Global Yatırım Holding A.Ş. and its Subsidiaries**  
**Condensed Consolidated Interim Statement of Financial Position**  
**as at 30 June 2016**  
*(Currency Turkish Lira ("TL") unless otherwise stated)*

	Notes	Reviewed 30 June 2016	Audited 31 December 2015
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Current Borrowings	9	124.465.163	54.094.422
Current Portion of Non-current Borrowings	9	455.839.851	371.434.904
Trade Payables		96.765.690	83.406.747
- Trade Payables to Unrelated Parties	10	96.765.690	83.406.747
Employee Benefit Obligations	21	6.135.934	5.717.182
Other payables		30.766.612	29.384.179
- Other Payables to Related Parties		865.492	317.672
- Other Payables to Unrelated Parties	11	29.901.120	29.066.507
Payables on Financial Sector Operations		58.598.565	60.105.886
- Payables to Unrelated Parties on Financial Sector Operations	12	58.598.565	60.105.886
Deferred income	14	12.696.555	10.352.128
Current tax liabilities		7.364.143	5.525.114
Current provisions		9.715.567	8.853.809
- Current provisions for employee benefits	21	2.970.445	2.478.740
- Other current provisions	19	6.745.122	6.375.069
Other Current Liabilities	22	18.910.224	27.432.207
(Subtotal)		821.258.304	656.306.578
<b>Non-current liabilities</b>			
Long term borrowings	9	1.299.702.425	1.394.487.213
Other payables		11.498.852	11.171.820
Liabilities due to Investments Accounted for Using Equity Method	18	440.595	391.687
Deferred income		253.061	269.000
Derivative Financial Liabilities	32	9.136.745	2.771.205
Non-current provisions		52.455.442	48.723.011
- Non-current provisions for employee benefits	21	8.500.366	7.497.354
- Other non-current provisions	19	43.955.076	41.225.657
Deferred tax liabilities	34	336.866.002	350.097.753
<b>EQUITY</b>			
Equity attributable to equity holds of the Group	23	921.527.076	974.606.938
Issued capital		521.087.318	560.703.827
Inflation adjustment on capital		193.500.000	193.500.000
Treasury Shares (-)		34.659.630	34.659.630
Share Premium (Discount)		(22.143.104)	(22.143.104)
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in profit or loss		10.430.125	10.430.125
- Other Gains (Losses)		13.016.778	13.050.003
- Gains (Losses) on Remeasurements of Defined Benefit Plans		14.497.128	14.497.128
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in profit or loss		(1.480.350)	(1.447.125)
- Exchange Differences on Translation		141.687.538	136.201.483
- Gains (Losses) on Revaluation and Reclassification		335.531.292	327.379.903
- Gains (Losses) on Hedge		(2.072.065)	(2.072.065)
Restricted Reserves Appropriated From Profits		(191.771.689)	(189.106.355)
Prior Years' Profits or Losses		87.435.753	76.915.357
Current Period Net Profit Or Loss		107.569.937	166.125.876
Non-controlling interests		(45.069.339)	(48.035.543)
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>400.439.758</b>	<b>413.903.111</b>
		<b>3.453.138.502</b>	<b>3.438.825.205</b>

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



**Global Yatırım Holding A.Ş. and its Subsidiaries**  
**Condensed Consolidated Interim Statements of Profit or Loss and Other Comprehensive**  
**Income for the Six-Month Period Ended 30 June 2016**  
*(Currency Turkish Lira ("TL") unless otherwise stated)*

	Notes	Reviewed	Not Reviewed	Reviewed	Not Reviewed
		1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
<b>PROFIT OR LOSS</b>					
Revenue	24	264.022.618	164.033.022	220.420.439	142.689.952
Cost of revenues (-)	24	(185.263.638)	(104.489.911)	(168.099.362)	(98.058.012)
Gross profit/(loss) from trade operations		78.758.980	59.543.111	52.321.077	44.631.940
Revenues from finance operations	24	16.525.693	7.795.469	13.658.017	6.929.654
Cost of revenues from finance operations (-)	24	(2.889.355)	(1.481.348)	(2.263.038)	(1.167.759)
Gross profit/(loss) from operations in finance sector		13.636.338	6.314.121	11.394.979	5.761.895
<b>GROSS PROFIT/(LOSS)</b>		<b>92.395.318</b>	<b>65.857.232</b>	<b>63.716.056</b>	<b>50.393.835</b>
Marketing expenses (-)	25	(18.699.944)	(8.371.673)	(14.157.603)	(7.399.982)
General administrative expenses (-)	25	(71.855.706)	(38.467.195)	(50.965.593)	(26.960.565)
Other operating income	27	5.298.337	3.001.170	17.196.107	9.276.158
Other operating expense (-)	27	(7.428.070)	(3.363.194)	(11.489.335)	(8.176.532)
<b>OPERATING PROFIT/(LOSS)</b>		<b>(290.065)</b>	<b>18.656.340</b>	<b>4.299.632</b>	<b>17.132.914</b>
Income from investing activities	28	147.428	115.100	739.974	739.974
Expense from investing activities (-)	28	(392.933)	(199.019)	(525.327)	(52.182)
Share of profit/(loss) of equity accounted investees	18	2.174.302	639.093	1.560.999	341.723
<b>PROFIT/(LOSS) BEFORE FINANCE INCOME/EXPENSE</b>		<b>1.638.732</b>	<b>19.211.514</b>	<b>6.075.278</b>	<b>18.162.429</b>
Finance income	29	15.047.921	678.870	33.184.858	6.228.721
Finance expenses (-)	30	(84.201.396)	(37.049.385)	(115.886.692)	(58.640.096)
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(67.514.743)</b>	<b>(17.159.001)</b>	<b>(76.626.556)</b>	<b>(34.248.946)</b>
Income tax credit /(expense)		22.139.881	14.507.400	24.331.088	16.298.105
- Current tax benefit/(expense)	34	(4.196.186)	(1.069.215)	(5.638.871)	(4.507.383)
- Deferred tax benefit /(expense)	34	26.336.067	15.576.615	29.969.959	20.805.488
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>		<b>(45.374.862)</b>	<b>(2.651.601)</b>	<b>(52.295.468)</b>	<b>(17.950.841)</b>
Profit/(loss) attributable to		(45.374.862)	(2.651.601)	(52.295.468)	(17.950.841)
-Non controlling interests		(305.523)	7.539.979	(649.511)	5.535.284
-Owners of the company	31	(45.069.339)	(10.191.580)	(51.645.957)	(23.486.125)
Earnings per share	31	(0,2568)	(0,0581)	(0,2965)	(0,1348)
Diluted earnings per share	31	(0,2568)	(0,0581)	(0,2965)	(0,1348)
<b>OTHER COMPREHENSIVE INCOME</b>					
Other Comprehensive Income/Expense not to be Reclassified to Profit or Loss		(33.225)	131.284	(15.258)	(16.654)
Gains (Losses) on Remeasurements of Defined Benefit Plans		(33.225)	131.284	(15.258)	(16.654)
Other Comprehensive Income/Expense to be Reclassified to Profit or Loss		5.546.907	(5.974.671)	22.949.890	31.462.184
Exchange Differences on Translation		8.212.241	4.613.727	104.022.890	39.703.525
Gain/loss arising from net investment hedges	30	(2.665.334)	(10.588.398)	(81.073.000)	(8.241.341)
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>		<b>5.513.682</b>	<b>(5.843.387)</b>	<b>22.934.632</b>	<b>31.445.530</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>		<b>(39.861.180)</b>	<b>(8.494.988)</b>	<b>(29.360.836)</b>	<b>13.494.689</b>
Total comprehensive income/(loss) attributable to		(39.861.180)	(8.494.988)	(29.360.836)	13.494.689
Non-controlling interests		(244.671)	5.116.578	3.627.696	9.128.972
Owners of the company		(39.616.509)	(13.611.566)	(32.988.532)	4.365.717

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

# Global Yatirim Holding A.Ş. and its Subsidiaries

## Condensed Consolidated Interim Statement of Changes in Shareholders' Equity for the Six-Month Period Ended 30 June 2016

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

	Retained Earnings												
	Other Comprehensive Income/Expense not to be Reclassified to Profit or Loss			Other Comprehensive Income/Expense to be Reclassified to Profit or Loss			Restricted Reserves Appropriated From Profits	Net Profit/(Loss) For the Period	Prior Years Profit/Loss	Equity Attributable to Non-Controlling Shareholders of the Company	Total		
	Gains (Losses) on Remeasurement of Defined Benefit Plans	Other Reserves of Other Gains (Losses)	Other Gains (Losses) on Evaluation and Remeasurement	Other Gains (Losses) on Hedge	Exchange Differences on Transition								
Balance at 1 January 2015	204,211,921	34,659,630	(9,379,664)	4,953,906	(76,997)	14,497,128	(8,473,483)	163,770,835	134,411,095	779,974,555	485,624,463	204,924,473	743,317,936
Other Comprehensive Income/(Loss)	-	-	-	-	(19,259)	-	707,249	97,463,683	-	-	10,657,425	4,277,207	22,934,632
Profit/(Loss)	-	-	-	-	-	-	-	-	-	(51,645,597)	(51,645,597)	(649,511)	(52,295,488)
Acquisition or Disposal of a Subsidiary	-	-	-	(1,361,748)	-	-	(112)	-	1,399,713	-	(7,993,201)	-	(7,695,348)
Increase (Decrease) through Treasury Share Transactions	-	-	12,796,594	6,662,657	-	-	-	-	(12,796,594)	-	12,796,594	19,399,161	19,399,161
Dividends Paid	-	-	-	-	-	-	-	-	(433,596)	-	433,596	(6,998,516)	(6,998,516)
Transfers	-	-	-	-	-	-	-	-	(58,076,679)	72,689,897	(51,611,228)	-	-
Balance at 30 June 2015	204,211,921	34,659,630	(8,643,161)	9,794,815	(70,255)	14,497,128	(1,300,316)	263,027,718	86,032,059	(51,645,597)	43,749,916	203,227,661	718,520,395
Balance at 1 January 2016	193,500,000	34,659,630	(2,143,104)	10,430,125	(1,471,125)	14,497,128	(8,072,965)	373,799,903	76,915,357	(40,035,541)	166,135,876	413,920,111	974,666,598
Other Comprehensive Income/(Loss)	-	-	-	-	(33,225)	-	-	8,157,380	-	-	-	5,483,480	(4,652)
Profit/(Loss)	-	-	-	-	-	-	-	-	-	(45,069,339)	-	(45,069,339)	(45,374,663)
Dividends Paid	-	-	-	-	-	-	-	-	10,520,396	-	(10,520,396)	-	(13,118,685)
Transfers	-	-	-	-	-	-	-	-	-	40,035,543	(40,035,543)	-	-
Balance at 30 June 2016	193,500,000	34,659,630	(2,143,104)	10,430,125	(1,499,350)	14,497,128	(8,072,965)	385,511,291	87,435,753	(45,069,339)	107,589,937	400,437,788	911,551,075

The detailed explanations related to equity items are presented in Note 23.

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

**Global Yatırım Holding A.Ş. and its Subsidiaries**  
**Condensed Consolidated Interim Statement of Cash Flows for the Six-Month Period**  
**Ended 30 June 2016**  
*(Currency Turkish Lira ("TL") unless otherwise stated)*

		Reviewed 1 January- 30 June 2016	Reviewed 1 January- 30 June 2015
Profit (Loss)		(45.374.862)	(52.295.468)
Adjustments for Depreciation and Amortisation Expense	26	77.680.693	64.963.606
Adjustments for (Reversal of) Provisions Related with Employee Benefits	21	1.096.092	478.264
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method		(2.174.302)	(1.560.999)
Adjustments for (Reversal of) Other Provisions		147.325	1.598
Adjustments for Interest Income		(7.950.034)	(6.670.621)
Adjustments for Interest expense		77.006.459	58.410.690
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments'		1.709.588	-
Adjustments for Tax (Income) Expenses		(22.139.881)	(24.331.088)
Adjustments for Losses (Gains) Arised From Sale of Tangible Assets		-	514.196
Adjustments for Unrealised Foreign Exchange Losses (Gains)		19.381.857	32.568.543
Other Adjustments to Reconcile Profit (Loss)		954.530	4.300.620
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>100.337.465</b>	<b>76.379.341</b>
Decrease (increase) in Financial Sector Receivables		3.449.167	14.097.298
Decrease (increase) in Other Unrelated Party Receivables Related with Operations		(13.050.735)	(39.326.165)
Adjustments for Decrease (Increase) in Inventories		(8.918.971)	(4.372.405)
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties		13.358.943	34.637.886
Increase (decrease) in Payables due to Finance Sector Operations		(1.507.321)	(7.990.079)
Increase (Decrease) in Employee Benefit Liabilities		910.457	-
Increase (Decrease) in Deferred Income		(6.193.495)	394.754
Decrease (Increase) in Other Assets Related with Operations		(16.165.706)	(14.464.022)
Increase (Decrease) in Other Payables Related with Operations		(10.503)	200.388
Dividends Received		576.774	453.080
Interest Paid		(2.529.534)	(1.685.671)
Interest Received		4.300.378	3.515.402
Payments Related with Provisions for Employee Benefits		(380.424)	-
Income Taxes Refund (Paid)		(2.917.850)	(4.522.725)
<b>Changes in Working Capital</b>		<b>71.258.645</b>	<b>57.317.082</b>
Proceeds from Sales of Property, Plant and Equipment	16	4.119.571	863.485
Proceeds from Sales of Intangible Assets	17	677.115	-
Purchase of Property, Plant and Equipment	16	(74.368.381)	(37.473.973)
Purchase of Intangible Assets	17	(6.115.535)	(6.143.994)
Cash Outflows from Acquisition of Investment Property	15	-	(25.177.662)
Paybacks from Other Cash Advances and Loans Made to Other Parties		(29.552.935)	(15.886.346)
Interest Received		2.562.417	2.969.777
Other Inflows (Outflows) of Cash		12.375.738	(622.906)
Cash Outflows from Purchase of Additional Shares of Subsidiaries		-	(28.200.000)
Cash Inflows Caused by Share Sales or Capital Decrease of Associates and / or Joint Ventures		-	3.200.000
<b>Cash Flows from (used in) Investing Activities</b>		<b>(90.302.010)</b>	<b>(106.471.619)</b>
Cash Inflows from Sale of Acquired Entity's Shares		-	17.637.413
Proceeds from Loans		147.852.501	200.046.928
Proceeds From Issue of Debt Instruments		50.000.000	110.000.000
Loan Repayments		(89.398.402)	(181.515.216)
Payments of Issued Debt Instruments		(75.000.000)	(75.000.000)
Decrease in Other Payables to Related Parties		(6.682.268)	(3.731.825)
Dividends Paid		(13.218.682)	(6.998.518)
Interest Paid		(72.606.117)	(47.673.934)
Other Inflows (Outflows) of Cash		24.584.943	(4.541.262)
<b>Cash Flows from (used in) Financing Activities</b>		<b>(34.468.025)</b>	<b>8.223.586</b>
Net Increase (Decrease) in Cash and Cash Equivalents Before Effect of Exchange Rate Changes		(53.511.390)	(40.930.951)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		1.853.685	11.383.792
Net Increase (Decrease) in Cash and Cash Equivalents		(51.657.705)	(29.547.159)
Cash and Cash Equivalents at the Beginning of the Period	7	236.503.075	160.613.282
Cash and Cash Equivalents at the End of the period	7	184.845.370	131.066.123

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

## **Global Yatırım Holding A.Ş. And its Subsidiaries**

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

*(Currency Turkish Lira ("TL") unless otherwise stated)*

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### **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 brokerage and asset management (formerly named as "financial services"), energy, port operations (formerly named as "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 30 June 2016, the number of employees of the Group is 1.470 (31 December 2015: 1.424).

The Group is registered with the Capital Market Board ("CMB") and its shares have been traded on the Borsa İstanbul ("BIST") 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 / İstanbul".

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

The Company's shareholding structure is presented in Note 23.

# Global Yatırım Holding A.Ş. And its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

## 1 ORGANIZATION AND NATURE OF BUSINESS (continued)

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

<u>Subsidiaries</u>	<u>Location</u>	<u>Operations</u>
Global Menkul Değerler A.Ş. (Global Menkul) (1)	Turkey	Brokerage
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	Port Operations
Ege Global Madencilik San. ve Tic. A.Ş. (Ege Global)	Turkey	Energy Generation
Mavi Bayrak Enerji Üretim A.Ş. (Mavi Bayrak)	Turkey	Energy Generation
Salıpazarı İnşaat Taahhüt Bina Yönetim ve Servis Hizmetleri Sanayi ve Ticaret A.Ş. (Salıpazarı)	Turkey	Construction Investments
Güney Madencilik İşletmeleri A.Ş. (Güney)	Turkey	Mining
Neptune Denizcilik Yatırımları ve İşletmeciliği A.Ş. (Neptune)	Turkey	Maritime Investments
Tenera Enerji Tic. A.Ş. (Tenera)	Turkey	Electricity Generation and Natural Gas Trade
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
Dağören Enerji A.Ş. (Dağören) (15)	Turkey	Electricity Generation
Ege Liman İşletmeleri A.Ş. (Ege Liman) (4)	Turkey	Port Operations
Bodrum Yolcu Limanı İşletmeleri A.Ş. (Bodrum Liman) (4)	Turkey	Port Operations
Ortadoğu Antalya Liman İşletmeleri A.Ş. (Ortadoğu Liman) (4)	Turkey	Port Operations
Sem Yayıncılık A.Ş. (Sem) (5)	Turkey	Publishing
Maya Turizm Ltd. (Maya Turizm) (6)	Cyprus	Tourism Investments
Galata Enerji Üretim San. ve Tic. A.Ş. (Galata Enerji) (2) (12)	Turkey	Electricity Generation
Doğal Enerji Hizmetleri ve İşletmeciliği A.Ş. (Doğal Enerji) (15)	Turkey	Electricity Generation
Global Depolama A.Ş. (4)	Turkey	Storage
Sümerpark Gıda İşletmeciliği A.Ş.	Turkey	Food Management
Randa Denizcilik San. ve Tic. Ltd. Şti. (Randa) (8)	Turkey	Marine Vehicle Trade
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş. (Ra Güneş) (10) (15)	Turkey	Electricity Generation
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş. (Tres Enerji) (15)	Turkey	Energy Generation
Straton Maden Yatırımları ve İşletmeciliği A.Ş. (Straton)	Turkey	Mining
Adonia Shipping Limited	Malta	Ship Management
Naturelgaz Sanayi ve Tic. A.Ş. (Naturelgaz)	Turkey	Compressed Natural Gas Sales
Container Terminal and General Cargo – Bar (Port of Bar) (4)	Montenegro	Port Operations
Geliş Madencilik Enerji İnşaat Ticaret A.Ş. (Geliş Madencilik) (11) (12)	Turkey	Mining
Global Gemicilik ve Nakliyat Hizmetleri A.Ş. (Global Gemicilik) (13)	Turkey	Maritime Investments
Creuers del Port de Barcelona, S.A. ("Barcelona Port") (14) (4)	Spain	Port Operations
Cruceros Malaga, S.A. ("Malaga Port") (14) (4)	Spain	Port Operations
Barcelona Port Investments, S.L. ("BPI") (14) (4)	Spain	Port Operations
Valetta Cruise Port PLC ("VCP") (7) (4)	Valetta-Malta	Port Operations
Perquisite Holdings Ltd. ("Perquisite") (4)	Malta	Port Operations
Global Ports Europe B.V. ("Global BV") (4)	Spain	Port Operations
Global Ports Malta Ltd. ("GP Malta") (4)	Malta	Port Operations
Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. (15)	Turkey	Energy Generation
Global Ticari Emlak Yatırımları A.Ş. (16)	Turkey	Real Estate Investments
Vinte Nova (17)	Cayman Islands	Financial Investments

# Global Yatırım Holding A.Ş. And its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

## 1 ORGANIZATION AND NATURE OF BUSINESS (continued)

<u>Subsidiaries</u>	<u>Location</u>	<u>Operations</u>
Actus Portföy Yönetimi A.Ş. (9)	Turkey	Brokerage
Global MD Portföy Yönetimi A.Ş. (3)	Turkey	Brokerage
Mavi Bayrak Doğu Enerji Üretim A.Ş. (12)	Turkey	Energy Generation
Edusa 1 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Edusa 2 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Edusa 3 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Edusa 4 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Morita 1 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Morita 2 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Morita 3 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Morita 4 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Sentinus 1 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Sentinus 2 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Sentinus 3 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Sentinus 4 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Taranis 1 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Taranis 2 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Taranis 3 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Taranis 4 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Vipasana 1 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Vipasana 2 Enerji San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Ravi Güneş Enerjisi Üretim ve San. Ve Tic. A.Ş.(18)	Turkey	Energy Generation
Aristeus Limited	Malta	Financial Investments

- (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. As at 30 June 2016, the Group's effective ownership rate in this company is 77,43%. (31 December 2015 : 77,43%)
- (2) This company is consolidated to Global Enerji. In 2014, Galata Enerji cancelled Thermal Power Plant Project and license was rendered.
- (3) Eczacıbaşı Portföy Yönetimi A.Ş. was purchased by Global Menkul on 1 June 2015 and consolidated to Global Menkul.
- (4) These companies are consolidated to Global Liman.
- (5) This company is consolidated to Tora.
- (6) The control of this company, the joint venture of Pera and Vespa, belongs to the Group and is consolidated to the Group.
- (7) The Group has acquired 55,60% of shares of VCP on 30 November 2015 and has started to include in the scope of consolidation as of 31 December 2015.
- (8) 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 30 June 2016 and 31 December 2015 it is excluded from the scope of consolidation (Note 2.1.f).
- (9) The Company has acquired 90,1% of shares of Actus Portföy Yönetimi A.Ş., which operates in the finance sector (formerly named was "Polsan Portföy Yönetimi A.Ş."), on 17 April 2015.
- (10) This company was established in 27 November 2012 and consolidated to Consus Enerji.

## Global Yatırım Holding A.Ş. And its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

### 1 ORGANIZATION AND NATURE OF BUSINESS (continued)

- (11) As of 3 October 2013, Global Enerji, a subsidiary of the Group, completed the acquisition of 85% of the shares of Geliş Madencilik Enerji İnşaat Ticaret A.Ş (Geliş Madencilik) with respect to the transaction Geliş Madencilik has been included in the scope of consolidation. As at 8 September 2014, 85 % of shares of Geliş Madencilik were transferred to Vinte Nova.
- (12) Mavi Bayrak Doğu Enerji Üretim A.Ş. was established 9 April 2015. The Company operates in energy generation sector.
- (13) This company was established in 13 May 2014. As at 30 June 2016 and 31 December 2015, it is excluded from the scope of consolidation since its financial statements are immaterial in the consolidated financial statements (Note 2.1.f).
- (14) Global Liman acquired 43% of shares Creuers del Port de Barcelona S.A ("Creuers") which has majority shares of Malaga Cruise Port and minority shares of Singapore Cruise Port through Barcelona Port Investments, S.L ("BPI") established in partnership with Royal Caribbean Cruises Ltd. and recognized the transaction as equity accounted investee in the consolidated financial statements as at 31 December 2013. These companies have been consolidated as subsidiaries after the acquisition processes completed as 30 September 2015.
- (15) This company was established on 28 August 2014. Consus Enerji has acquired 75 % of shares of Tres Enerji, 75 % of shares of Ra Güneş, 70 % of shares of Dağören and 100 % of shares of Doğal Enerji held by Global Enerji (a subsidiary of the Group) and these companies are consolidated to Consus Enerji as of reporting date.
- (16) This company was established on 20 August 2014. The company operates in real estate investment sector.
- (17) This company has been included to consolidation as at 30 September 2014 and acquired 85 % of shares of Geliş Madencilik held by Global Enerji on 8 September 2014.
- (18) These companies were established by the Group to operate in energy generation sector in 2015. As at 30 June 2016 these companies are excluded from the scope of consolidation since its financial statements are immaterial in the consolidated financial statements.

## Global Yatırım Holding A.Ş. And its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

### 1. ORGANIZATION AND NATURE OF BUSINESS (continued)

<u>Investments in associates</u>	<u>Location</u>	<u>Operations</u>
IEG Kurumsal Finansman Danışmanlık A.Ş. (IEG) (1)	Turkey	Corporate Fin. Consulting
LCT- Lisbon Cruise Terminals, LDA ("Port of Lisbon") (2)	Portugal	Port Operations
SATS-Creuers Cruise Services Pte. Ltd. ("Port of Singapore") (3)	Singapore	Port Operations
Venezia Investimenti Srl (4)	Italy	Port Operations

(1) This company has been established on 17 May 2011 with a 50 % - 50 % shareholding structure by Global Menkul, a subsidiary of the Group, and IEG (Deutschland) GmbH, as a prominent company in corporate finance sector in Europe. As at the balance sheet date, this company was consolidated by equity accounting method (Note 18).

(2) Global Liman signed concession agreement on 18 July 2014 via a consortium comprising of Global Liman, RCCL, Creuers and Grupo Sousa Investimentos SGPS.

With in the scope of the concession, Global Liman completed the transactions of transferring Lisbon Cruise Terminal to LCT-Lisbon Cruise Terminal called LDA physically on 26 August 2014 and Lisbon Cruise Terminal has been consolidated as equity accounted investee as at 30 September 2014. Lisbon Cruise Terminal has capacity of two million of passengers and area of 16.618,9 square meters including a closed area of 13.000 square meters and open areas. Lisbon Cruise Terminal is totally 1.425 meters long.

(3) Barcelona Port Investments, S.L ("BPI") which was established in partnership with Global Liman and Royal Caribbean Cruises Ltd. acquired majority shares of Barcelona Port and Malaga Cruise Port and minority shares of Singapore Cruise Port as at 30 September 2014. Regarding with the acquisition, Singapore Cruise Port has been consolidated by equity accounting method.

(4) Venezia Investimenti Srl is an international consortium formed for investing in Venezia Terminal Passegeri S.p.A (VTP). The international consortium formed by Global Ports Holding (GPH), Costa Costa Crociere SpA, MSC Cruises SA and Royal Caribbean Cruises Ltd each having 25% share of the Company.



## **Global Yatırım Holding A.Ş. And its Subsidiaries**

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

*(Currency Turkish Lira ("TL") unless otherwise stated)*

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### **2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

#### **2.1 Basis of Preparation**

##### **(a) Basis of Preparation of Financial Statements**

Based on the standard TAS 34; "Interim Financial Reporting", companies which prepare their financial statements in compliance with Capital Market Board (CMB) prepare interim financial statements as either as a complete or condensed set of financial statements. As at 30 June 2016, the accompanying consolidated financial statements are prepared in accordance with Capital Market Board's ("CMB") Communique "Principles of Financial Reporting in Capital Markets" ("Communique") which was published in the Official Gazette dated 13 June 2013 and numbered 28676 Series II, No. 14.1.

In addition, the condensed consolidated accompanying interim financial statements of the Group are prepared in compliance with the illustrative financial statements and instructions manual issued by CMB on 7 June 2013.

The condensed consolidated interim financial statements of the Company as at 30 June 2016 have been approved for issue by the Board of Directors of the Company on 17 August 2016. General Assembly have the right to modify the issued financial statements.

*Additional paragraph for convenience translation into English:*

The differences between the accounting principles promulgated by Public Oversight of Accounting and Auditing Standards Board ("POA"), 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) Preparation of Financial Statements in Hyperinflationary Economies**

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

##### **(c) Basis of measurement**

The condensed consolidated interim financial statements are prepared in TL based on historical cost except for financial instruments, investment property and derivatives measured at fair value.

The methods used for measuring fair value are consistent with the methods used in the consolidated financial statements as at 31 December 2015.

## Global Yatırım Holding A.Ş. And its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

### 2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2.1 Basis of Preparation (continued)

##### (d) 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 Global Ticari Emlak, GFP, Vespa 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 TAS 21 - The Effects of Changes in Foreign Exchange Rates.

Euro is significantly used in the operations of the subsidiaries; Port of Bar, Bodrum Liman, Ege Liman, Adonia Shipping, Straton Maden, BPI, VCP and Barcelona Port and Malaga Cruise Port. Therefore, Euro has been determined as the functional currency of these companies in line with TAS 21 - The Effects of Changes in Foreign Exchange Rates.

##### Change in Foreign Functional Currency

The subsidiaries of the Group, Bodrum Liman and Ege Liman, their functional currency had been decided as Euro based due to changes in its operation structure and economic environment starting from the year of 2016.

As at 30 June 2016 and 31 December 2015, foreign currency buying exchange rates of the Central Bank of Republic of Turkey ("CBRT") comprised the following:

	30 June 2016	31 December 2015
USD	2,8936	2,9076
Euro	3,2044	3,1776

##### (e) 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.

##### (f) Basis of Consolidation

The condensed consolidated interim financial statements as at 30 June 2016 include the accounts of the parent company, Global Holding and its subsidiaries, its joint ventures and its associates. The basis of consolidation used in the preparation of the condensed consolidated interim financial statements is consistent with the basis applied in the consolidated financial statements as at 31 December 2015.

## **Global Yatırım Holding A.Ş. And its Subsidiaries**

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

*(Currency Turkish Lira ("TL") unless otherwise stated)*

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### **2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS *(continued)***

#### **2.1 Basis of Preparation *(continued)***

##### **(f) Basis of Consolidation *(continued)***

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 30 June 2016 Randa in which the Group has effective ownership interests of 99,9% (31 December 2015: 99,9%), 19 energy companies which explained in Note 1.21 in detail with an effective ownership interests of 100 % which are immaterial to the consolidated financial statements, Aristeus Limited in which the Group has effective ownership interests of 100% and Global Gemicilik in which the Group has an ownership interest of 90% are not consolidated and disclosed as available for sale financial assets carried at cost less any impairment losses.

##### **Restatements of prior periods financial statements**

As at 31 December 2015, the receivables disclosed in "Other receivables due from related parties" amounting to TL 5.029.659 reclassified to "other receivables due from unrelated parties" in comparative financial statements. Otherwise disclosed in "other current assets" amounting to TL 4.362.300 reclassified to "non-current prepayments" in comparative financial statements.

Reclassifications have not any profit or loss effect.

#### **2.2 Statement of Compliance to TAS**

The Company and its subsidiaries operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TL") in accordance with the accounting principles as promulgated by the Turkish Commercial Code and tax legislation. The foreign subsidiaries, joint ventures and associates maintain their books of account and prepare their statutory financial statements in their local currencies in accordance with the laws and regulations in force in the countries in which they are registered.

The accompanying condensed consolidated interim financial statements are prepared in accordance with Turkish Accounting Standards ("TAS") published by POA. TAS consists of Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and related appendix and comments including POA's Principle Decisions.

The accompanying condensed consolidated interim financial statements are prepared fairly and based on the statutory financials of the Company and its subsidiaries, with adjustments and reclassifications made in accordance with TAS.

The condensed consolidated interim financial statements of the Group for the six-month period ended 30 June 2015 are in compliance with TAS 34, "Interim Financial Reporting". The condensed consolidated interim financial statements doesn't contain all information and explanations included in the annual financial statements and must be read together with the annual financial statements as at 31 December 2014, together.

The Company (and its subsidiaries registered in Turkey) consider uniform chart of accounts issued by Turkish Commercial Code ("TCC"), tax legislation and Turkish Republic of Ministry of Finance for keeping accounting records and preparing statutory financial statements.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

## 2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 2.3 Changes in Accounting Policies

The accounting policies applied in the condensed consolidated interim financial statements as at 30 June 2016 is consistent with the basis applied in the consolidated financial statements as at 31 December 2015.

### 2.4 Summary of Significant Accounting Policies

The accounting policies adopted in preparation of the condensed consolidated interim financial statements as at 30 June 2016 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2016. The effects of these standards and interpretations on the Group's consolidated financial position and consolidated performance have been disclosed in the related paragraphs.

#### New and Revised Turkish Accounting Standards

#### a) Amendments to TAS affecting amounts reported and/or disclosures in the consolidated financial statements

None.

#### b) New and revised TAS applied with no material effect on the consolidated financial statements

Amendments to TAS 16 and TAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*<sup>1</sup>

Amendments to TAS 16 and TAS 41 and amendments to TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40 *Agriculture: Bearer Plants*<sup>1</sup>

Amendments to TFRS 11 and TFRS 1 Annual Improvements to 2011-2013 Cycle *Accounting for Acquisition of Interests in Joint operations*<sup>1</sup>

Amendments to TAS 1 *TFRS 1*<sup>2</sup>

Amendments to TAS 1 *Disclosure Initiative*<sup>2</sup>

Annual Improvements to 2012-2014 Cycle *TFRS 5, TFRS 7, TAS 34, TAS 19*<sup>2</sup>

Amendments to TAS 27 *Equity Method in Separate Financial Statements*<sup>2</sup>

Amendments to TFRS 10 and TAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*<sup>2</sup>

Amendments to TFRS 10, TFRS 12 and TAS 28 *Investment Entities: Applying the Consolidation Exception*<sup>2</sup>

TFRS 14 *Regulatory Deferral Accounts*<sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 31 December 2015.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2016.

## **Global Yatırım Holding A.Ş. And its Subsidiaries**

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

*(Currency Turkish Lira ("TL") unless otherwise stated)*

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### **2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS *(continued)***

#### **2.4 Summary of Significant Accounting Policies *(continued)***

##### **b) New and revised TAS applied with no material effect on the consolidated financial statements *(continued)***

###### **Amendments to TAS 16 and TAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation***

This amendment clarifies that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment, and introduces a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. The amendment also adds guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

###### **Amendments to TAS 16 and TAS 41 and Amendments to TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40 *Agriculture: Bearer Plants***

This amendment include 'bearer plants' within the scope of TAS 16 rather than TAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with TAS 16. The amendment also introduces a definition of 'bearer plants' as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales, and clarifies that produce growing on bearer plants remains within the scope of TAS 41.

Amendments to TAS 16 and TAS 41 also led to amendments in related provisions of TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40, respectively.

###### **Amendments to TFRS 11 and TFRS 1 *Accounting for Acquisition of Interests in Joint operations***

This amendment requires an acquirer of an interest in a joint operation in which the activity constitutes a business to:

- apply all of the business combinations accounting principles in TFRS 3 and other TAS, except for those principles that conflict with the guidance in TFRS 11,
- disclose the information required by TFRS 3 and other TAS for business combinations.

Amendments to TFRS 11 also led to amendments in related provisions of TFRS 1.

###### **Annual Improvements 2011-2013 Cycle**

**TFRS 1:** Clarify which versions of TAS can be used on initial adoption (amends basis for conclusions only).

## **Global Yatırım Holding A.Ş. And its Subsidiaries**

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### **2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)**

#### **2.4 Summary of Significant Accounting Policies (continued)**

##### **b) New and revised TAS applied with no material effect on the consolidated financial statements (continued)**

###### **Amendments to TAS 1 Disclosure Initiative**

This amendment addresses perceived impediments to preparers exercising their judgment in presenting their financial reports.

###### **Annual Improvements 2012-2014 Cycle**

**TFRS 5:** Adds specific guidance in TFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

**TFRS 7:** Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

**TAS 34:** Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference.

Annual Improvements to 2012-2014 Cycle also led to amendments in related provisions of TAS 19.

###### **Amendments to TAS 27 Equity Method in Separate Financial Statements**

This amendment permits investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.

###### **Amendments to TFRS 10 and TAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

This amendment clarifies the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

###### **Amendments to TFRS 10, TFRS 12 and TAS 28 Investment Entities: Applying the Consolidation Exception**

This amendment addresses issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:

- The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.
- A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.
- When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.
- An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by TFRS 12.

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### **2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)**

#### **2.4 Summary of Significant Accounting Policies (continued)**

- b) **New and revised TAS applied with no material effect on the consolidated financial statements (continued)**

##### **IFRS 14 Regulatory Deferral Accounts**

IFRS 14 *Regulatory Deferral Accounts* permits an entity which is a first-time adopter of Turkish Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.

IFRS 14 also led to amendments in related provisions of IFRS 1.

- c) **New and revised TAS in issue but not yet effective**

The Group has not applied the following new and revised TAS that have been issued but are not yet effective:

IFRS 9	<i>Financial Instruments</i>
Amendments to IFRS 9 and IFRS 7	<i>Mandatory Effective Date of IFRS 9 and Transition Disclosures</i>

##### **IFRS 9 Financial Instruments**

IFRS 9, issued in November 2009, introduces new requirements for the classification and measurement of financial assets. IFRS 9 was amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

##### **Amendments to IFRS 9 and IFRS 7 Mandatory Effective Date of IFRS 9 and Transition Disclosures**

The mandatory effective date of IFRS 9 will be no earlier than annual periods beginning on or after 1 January 2018.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

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### **3 BUSINESS COMBINATIONS**

The Group has no acquisition for the six-month period ended 30 June 2016. The detail of acquisitions, which are accounted in the consolidated financial statements as of 31 December 2015 in compliance with "TFRS 3 Business Combinations", are presented in the Note of "Business Combinations" of the consolidated financial statements as at 31 December 2015.

### **4 INVESTMENT IN OTHER ENTITIES**

The detail of joint ventures and equity accounted investees are explained in Note 18.

### **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, naturel gas/mining/energy generation (previously named as energy), port operations (previously named as infrastructure), real estate and other. Brokerage and asset management segment(previously named as finance) includes the finance operations (including Global Yatırım Holding), energy segment includes compressed natural gas distribution and electricity generation facilities and mining operations, port operations segment includes domestic and abroad commercial and cruise port operations and investments and real estate segment includes operations in respect of investment property and trading property operations. Other segment mainly includes the media operations.

Especially in the winter months (December, January, February), the operations of the subsidiaries of the Group operating in the port operation sector under the port operations 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.



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**Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016**  
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**5 SEGMENT REPORTING (continued)**

	Port Operations		Natural Gas/Mining/Energy Generation		Real Estate		Brokerage & Asset Management (*)		Other		Total	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Segment assets	1,986,372,333	2,085,462,138	584,986,513	500,567,990	453,047,910	460,183,725	407,727,564	373,663,100	21,004,182	18,948,252	3,453,138,592	3,438,825,205
Segment liabilities	1,421,750,338	1,428,598,413	387,211,259	327,941,794	140,418,401	146,406,124	577,575,931	557,733,391	4,655,497	3,538,345	2,531,611,426	2,464,218,267
<b>The Six-Month Period Ended 30 June (1 January-30 June)</b>												
	Port Operations		Natural Gas/Mining/Energy Generation		Real Estate		Brokerage & Asset Management (*)		Other		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
External revenues	153,927,146	120,621,537	97,205,963	93,389,705	11,664,156	6,251,712	16,525,693	13,658,017	1,225,353	157,485	280,548,311	234,078,456
EBITDA	83,084,786	62,228,179	9,645,243	12,548,791	7,636,772	1,217,642	(19,463,668)	3,979,275	(1,583,708)	(2,272,346)	79,319,425	77,701,541
Depreciation and amortisation expense (-)	(59,336,661)	(49,038,875)	(15,937,729)	(14,135,926)	(273,455)	(143,706)	(1,119,341)	(750,335)	(1,013,507)	(894,764)	(77,680,693)	(64,963,600)
Finance income	5,695,580	18,686,587	4,057,984	505,613	192,868	193,242	9,159,962	17,268,950	1,367,282	1,883	20,473,676	36,656,675
Finance expenses	(40,701,738)	(43,950,333)	(6,959,639)	(12,633,728)	(6,705,939)	(2,691,005)	(35,053,986)	(59,779,938)	(192,412)	(298,933)	(89,613,714)	(119,353,927)
<b>The Three-Month Period Ended 30 June (1 April-30 June)</b>												
	Port Operations		Natural Gas/Mining/Energy Generation		Real Estate		Brokerage & Asset Management (*)		Other		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
External revenues	99,367,342	78,138,676	57,648,393	59,508,091	5,867,101	4,956,663	7,795,469	6,929,654	1,150,186	86,522	171,838,491	149,619,606
EBITDA	59,253,505	42,513,309	3,978,592	9,638,726	4,277,071	918,654	(9,094,825)	3,609,914	(660,617)	(1,780,306)	57,753,726	54,922,297
Depreciation and amortisation expense (-)	(29,706,528)	(24,898,173)	(7,387,865)	(6,415,221)	(138,441)	(72,525)	(777,838)	(128,842)	(531,540)	(460,325)	(29,542,212)	(31,975,096)
Finance income	(2,870,601)	(1,272,784)	2,803,657	227,553	(1,939,734)	87,531	5,091,656	9,278,584	628,910	1,245	3,713,888	8,322,129
Finance expenses	(15,472,722)	(23,279,192)	(2,604,978)	(5,984,587)	(4,001,972)	(1,118,975)	(17,887,476)	(30,157,549)	(103,494)	(265,976)	(40,070,642)	(60,806,229)

(\*) Includes Global Yatırım Holding A.Ş.'s operations

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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#### 5 SEGMENT REPORTING (continued)

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
<b>Revenues</b>				
Segment revenues	280.914.114	172.194.294	234.401.015	149.659.654
Elimination of inter-segment revenues (*)	(365.803)	(365.803)	(322.559)	(40.048)
<b>Consolidated revenues</b>	<b>280.548.311</b>	<b>171.828.491</b>	<b>234.078.456</b>	<b>149.619.606</b>
	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Consolidated EBITDA	79.319.425	57.753.726	77.701.541	54.922.297
Finance income (Note 29)	15.047.921	678.870	33.184.858	6.228.721
Finance expenses (Note 30)	(84.201.396)	(37.049.385)	(115.886.692)	(58.640.096)
(Gain)/Loss on sale of shares recognized in equity (Note 23)	-	-	(6.662.657)	(4.784.782)
Depreciation and amortisation expenses (Note 26)	(77.680.693)	(38.542.212)	(64.963.606)	(31.975.086)
<b>Consolidated profit/(loss) before income tax</b>	<b>(67.514.743)</b>	<b>(17.159.001)</b>	<b>(76.626.556)</b>	<b>(34.248.946)</b>
	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Segment finance income	20.473.676	3.713.888	36.656.675	8.322.129
Elimination of inter-segment finance income	(5.425.755)	(3.035.018)	(3.471.817)	(2.093.408)
<b>Total finance income (Note 29)</b>	<b>15.047.921</b>	<b>678.870</b>	<b>33.184.858</b>	<b>6.228.721</b>
	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Segment finance expenses	(89.613.714)	(40.070.642)	(119.353.927)	(60.806.229)
Elimination of inter-segment finance expenses	5.412.318	3.021.257	3.467.235	2.166.133
<b>Total finance expenses (Note 30)</b>	<b>(84.201.396)</b>	<b>(37.049.385)</b>	<b>(115.886.692)</b>	<b>(58.640.096)</b>
<b>Fixed asset purchases (**)</b>				
	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Energy	60.526.183	42.802.340	29.387.179	12.913.548
Finance	900.407	276.077	548.657	237.534
Port operations	18.038.282	11.742.064	13.686.765	8.960.188
Real estate	836.997	2.214	25.163.680	9.818.489
Other	182.047	178.954	9.348	9.348
<b>Total</b>	<b>80.483.916</b>	<b>55.001.649</b>	<b>68.795.629</b>	<b>31.939.107</b>

(\*) The total amount of elimination of inter-segment revenues is related to the finance segment.

(\*\*) Fixed asset purchases include additions to property, plant and equipment, intangible assets and investment property.

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### 6 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:

<u>Related party</u>	<u>Nature of relations</u>
Mehmet Kutman	Shareholder and key management personnel
Erol Göker	Shareholder and key management personnel
IEG	Equity accounted investee (Note 18)
Global A Type ve B Type Funds	Funds of a subsidiary
Turkcom Turizm Enerji İnşaat Gıda Yatırımlar A.Ş. (Turkcom)	Company owned by shareholder

#### Due from related parties

As at 30 June 2016 and 31 December 2015, current receivables from operations in finance sector-due from related parties comprised the following:

##### Current receivables from operations in finance sector - due from related parties

	<u>30 June 2016</u>	<u>31 December 2015</u>
Turkcom (*)	10.438.357	9.924.370
IEG Kurumsal Finansal Danışmanlık A.Ş.	806.675	-
Global A Type and B Type Funds	-	2.291
Other	827.549	18.201
<b>Total</b>	<b>12.072.581</b>	<b>9.944.862</b>

(\*) 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 30 June 2016 and 31 December 2015, other current receivables from related parties comprised the following:

<u>Other current receivables from related parties</u>	<u>30 June 2016</u>	<u>31 December 2015</u>
Mehmet Kutman <sup>(1)</sup>	11.469.467	3.859.107
Turkcom	29.780	81.674
Erol Göker <sup>(1)</sup>	5.781.995	5.993.187
IEG	-	828.119
Other	3.062.553	3.562.670
<b>Total <sup>(2)</sup></b>	<b>20.343.795</b>	<b>14.324.757</b>

(1) These amounts are related with the personnel and work advances and they are not secured. Interest is charged on advances which have not work advances (Interest rate: 30 June 2016: 10,50%, 31 December 2015: 11,50%)

(2) The amount excludes the loans provided to key management explained below.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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#### 6 RELATED PARTY DISCLOSURES (continued)

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 2013. The maturity of this loan is extended to the date of 31 December 2016. As at 30 June 2016 and 31 December 2015, this receivable has been classified in other current receivables from related parties in the balance sheet. As at 30 June 2016, the principal of this loan amounted to USD 9.806.377 and the accrued interest amounted to USD 848.911. The total loan amounted to USD 10.655.288 (equivalent to TL 30.382.141). As at 31 December 2015, the principal of this loan amounted to USD 9.806.377 and the accrued interest amounted to USD 740.743 and the total loan amounted to USD 10.547.120 (equivalent to TL 30.666.806).

As at 30 June 2016, current other receivables due from related parties (including the loan provided to key management by the Group) amount to TL 51.175.936 in the consolidated financial statements (31 December 2015: TL 44.991.563).

#### Transactions with related parties

##### Transactions with key management personnel

The Company's key management personnel consists of members of Boards of Directors and Executive Board Members. The compensation of key management personnel includes salaries, bonuses, health insurance and transportation costs. The total benefits (salaries, bonuses, attendance fees, etc.) provided to the key management for the period ended 30 June 2016 and 2015 are TL 12.718.221 and TL 10.223.975, respectively.

The Group's interest income earned from the loan provided to key management for the 1 January – 30 June 2016 amounts to TL 565.313 (1 January-30 June 2015: TL 458.570).

##### Transactions with other related parties

For the six-month periods ended 30 June 2016 and 2015, significant transactions with other related parties comprised the following:

	1 January- 30 June 2016			1 January- 30 June 2015		
	Interest Received	Other income	Commission for letter of guarantee given	Interest Received	Other income	Commission for letter of guarantee given
Turkcom (*)	822.845	-	-	690.891	-	-
Mehmet Kutman (*)	379.570	-	350.000	281.250	-	350.000
Erol Göker	98.319	-	-	27.408	-	-
Global A Type and B Type Funds	-	-	-	-	-	-
Global Portföy	-	-	-	-	-	-
Other	45.782	1.411.762	-	46.180	201.137	-
<b>Total</b>	<b>1.346.516</b>	<b>1.411.762</b>	<b>350.000</b>	<b>1.045.729</b>	<b>201.137</b>	<b>350.000</b>

(\*) Includes margin lending and advance interest.

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#### 7 CASH AND CASH EQUIVALENTS

As at 30 June 2016 and 31 December 2015, cash and cash equivalents comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Cash on hand	1.427.743	365.952
Cash at banks	205.347.010	283.099.466
-Demand deposits	94.936.434	149.201.656
-Time deposits	110.410.576	133.897.810
Receivables from reverse repurchase agreements	8.282.723	5.964.877
Receivables from Takasbank	884.050	1.515.465
Other	2.454.016	5.223.734
<b>Cash and cash equivalents</b>	<b>218.395.542</b>	<b>296.169.494</b>
Blocked deposits	(33.550.172)	(59.666.419)
<b>Cash and cash equivalents for cash flow purposes</b>	<b>184.845.370</b>	<b>236.503.075</b>

As at 30 June 2016 and 31 December 2015, maturities of time deposits comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Up to 1 month	110.132.434	133.834.288
1-3 months	-	63.522
6-12 months	278.142	-
	<b>110.410.576</b>	<b>133.897.810</b>

As at 30 June 2016 and 31 December 2015, the range of time deposit interest rates included in cash and cash equivalents is as follows:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Interest rate range for time deposit - TL	8,00% - 11,55%	7,25% - 11,00%
Interest rate for time deposit - USD	0,10% - 0,30%	0,10% - 0,25%

As at 30 June 2016, cash at banks amounting to TL 25.023.616 (31 December 2015: TL 49.007.392) is blocked due to bank borrowings and letters of guarantee by the banks. As at 30 June 2016, TL 8.495.198 deposited at the BIST Settlement and Custody Bank ("Takasbank") is blocked by the CMB (31 December 2015: TL 10.282.280). As at 30 June 2016 TL 31.358 (31 December 2015: TL 376.747) of other cash equivalents are blocked at banks until their maturities. Financial risk with respect to cash and cash equivalents are detailed in Note 33.

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### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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#### 8 FINANCIAL INVESTMENTS

As at 30 June 2016 and 31 December 2015, the details of financial investments comprised the following:

<b>Current assets</b>	<b>30 June 2016</b>	<b>31 December 2015</b>
Financial assets held for trading	2.848.229	14.791.212
Financial assets available for sale	-	237.642
Other	176.784	511.874
<b>Total</b>	<b>3.025.013</b>	<b>15.540.728</b>
<b>Non current assets</b>		
Financial assets available for sale	7.374.550	7.234.573
<b>Total</b>	<b>7.374.550</b>	<b>7.234.573</b>

The details of financial assets of the Group is as follows:

##### a) Financial assets held for trading

	<b>30 June 2016</b>	<b>31 December 2015</b>
Debt securities (governmental bonds)	1.409.906	13.026.037
Equity securities	1.438.323	1.755.175
Investment funds participations	-	10.000
	<b>2.848.229</b>	<b>14.791.212</b>

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 in gain/(loss) on investing activities, net in the consolidated profit or loss and other comprehensive income (Note 28). All the equity securities included in the financial assets held for trading are traded in active markets.

As at 30 June 2016, financial assets amounting to TL 854.258 are pledged by the banks with respect to the letter of guarantees given to BIST (31 December 2015: TL 2.919.278).

As at 31 December 2015, financial assets amounting to TL 650.969 are given to Turkish Derivative Exchange ("VİOP") for transaction guarantee (30 June 2016: None).

As at 30 June 2016 the equity shares amounting to TL 9.408 are pledged for an ongoing lawsuit case (31 December 2015 : TL 25.634).

As at 30 June 2016 and 31 December 2015, the letters of guarantee given to the BIST, Settlement and Custody Bank, the Turkish Derivative Exchange and the Capital Market Board are explained in Note 20.

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Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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### 8 FINANCIAL INVESTMENTS (continued)

#### b) Financial assets available for sale

	<u>30 June 2016</u>	<u>31 December 2015</u>
Equity securities		
- Quoted to an active market	-	237.642
- Unquoted to an active market	7.374.550	7.234.573
<b>Total</b>	<b><u>7.374.550</u></b>	<b><u>7.472.215</u></b>

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

	<u>30 June 2016</u>		<u>31 December 2015</u>	
	Share ratio (%)	Book value	Share ratio (%)	Book value
Takas ve Saklama Bankası A.Ş.	2,35	5.625.000	2,35	5.625.000
Baku Borsası	5,50	137.523	5,50	137.523
Other		1.612.027		1.472.050
<b>Total</b>		<b><u>7.374.550</u></b>		<b><u>7.234.573</u></b>

The Group recognized and measured the investments that are not quoted in active markets at cost.

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### 9 FINANCIAL LIABILITIES

As at 30 June 2016 and 31 December 2015, financial liabilities comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
<b>Short term borrowings</b>		
Short term bank loans	124.465.163	54.094.422
-TL Loans	92.702.884	20.951.186
-Foreign currency loans	31.762.279	33.143.236
<b>Total</b>	<b>124.465.163</b>	<b>54.094.422</b>
<b>Short term portion of long term borrowings</b>		
	<u>30 June 2016</u>	<u>31 December 2015</u>
Short term portion of long term bank loans	117.586.212	108.431.295
-TL Loans	14.273.992	10.832.848
-Foreign currency loans	103.312.220	97.598.447
Debt securities issued	311.464.552	242.608.927
- TL debt securities	210.951.813	181.780.683
-Foreign currency debt securities	100.512.739	60.828.244
Finance lease obligations	26.789.087	20.394.682
<b>Total</b>	<b>455.839.851</b>	<b>371.434.904</b>
<b>Long term borrowings</b>		
	<u>30 June 2016</u>	<u>31 December 2015</u>
Long term bank loans	474.642.210	477.717.104
-TL Loans	43.059.538	35.887.999
-Foreign currency loans	431.582.672	441.829.105
Debt securities issued	753.907.667	850.730.445
- TL debt securities	79.151.372	132.224.890
-Foreign currency debt securities	674.756.295	718.505.555
Finance lease obligations	71.152.548	66.039.664
<b>Total</b>	<b>1.299.702.425</b>	<b>1.394.487.213</b>
<b>Total borrowings</b>	<b>1.880.007.439</b>	<b>1.820.016.539</b>

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

<u>Years</u>	<u>30 June 2016</u>	<u>31 December 2015</u>
2017	121.551.169	325.376.394
2018	211.865.904	139.337.081
2019 and after	895.132.804	863.734.074
<b>Total</b>	<b>1.228.549.877</b>	<b>1.328.447.549</b>

Maturity profile of finance lease obligations comprised the following:

	<u>30 June 2016</u>			<u>31 December 2015</u>		
	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	29.037.823	2.248.736	26.789.087	22.643.418	2.248.736	20.394.682
Between one and five years	81.148.426	9.995.878	71.152.548	76.035.542	9.995.878	66.039.664
<b>Total</b>	<b>110.186.249</b>	<b>12.244.614</b>	<b>97.941.635</b>	<b>98.678.960</b>	<b>12.244.614</b>	<b>86.434.346</b>



# Global Yatırım Holding A.Ş. And its Subsidiaries

## Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016 (Currency Turkish Lira ("TL") unless otherwise stated)

### 9 FINANCIAL LIABILITIES (Continued)

Loan Types	Company Names	Currency	Maturity	Interest Terms	Nominal Interest Rate %	Principal (TL)	Carrying Value (TL)
<b>Loans and issued debt securities used to finance</b>							
<b>Debt securities issued (C)</b>							
Bond issued (B)	Holding	USD	2017	Fixed	11%	44,778,459	44,778,459
Bond issued (B)	Holding	TL	2018	Floating	GDS+ 5,25%	50,000,000	51,528,740
Bond issued (B)	Holding	TL	2017	Floating	GDS+ 4,75%	110,000,000	112,501,169
Bond issued (B)	Holding	TL	2016	Floating	GDS+ 4,50%	85,000,000	86,016,234
Bond issued (B)	Holding	TL	2017	Floating	GDS+ 4,50%	40,000,000	40,027,042
Secured loan (S)	Holding	USD	2016	Floating	Libor + 7,50%	14,558,423	14,867,511
Secured loan (S)	Holding	EUR	2018	Floating	Eurobar+6,76%	20,215,061	20,215,716
Secured loan (S)	Holding	EUR	2019	Floating	Libor + 6,70%	13,309,873	13,684,443
Unsecured loan	Holding	TL	Reactive	Fixed	14,5-17,25%	89,000,000	89,000,000
Unsecured loan (S)	Holding	EUR	2017	Floating	Eurobar + 6,50%	24,033,000	24,058,948
Secured loan (S)	Global Ports BV	EUR	2020	Fixed	4,15%	32,177,889	32,177,889
Secured loan (S)	VCP	EUR	2020	Floating	Eurobar+ 4,6%	70,242,260	70,242,260
Bond issued (C)	Global Liman	USD	2021	Fixed	8,13%	723,400,000	730,698,750
Secured loan	Edge Liman	USD	2016	Fixed	5,75%	434,040	434,040
Secured loan	Edge Liman	USD	2017	Fixed	4,5%	5,787,200	5,787,200
Secured loan	Edge Liman	USD	2017	Fixed	1,3%	892,147	892,147
Secured loan (C)	Pera	TL	2021	Floating	TR Libor + 5%	13,477,450	13,477,450
Secured loan (C)	Pera	TL	2021	Fixed	14,50%	8,158,269	8,158,269
Secured loan (C)	Pera	TL	2021	Fixed	TR Libor+4,95%	10,767,938	10,767,938
Secured loan	Pera	TL	2016	Fixed	3,5%	5,225,143	5,225,143
Unsecured loan	Naturelgaz	EUR	2017	Floating	12%-14,30%	991,654	991,654
Secured loan (S)	Naturelgaz	TL	2022	Floating	TR Libor + 2,50%	11,598,737	11,871,655
Secured loan (S)	Naturelgaz	TL	2022	Floating	TR Libor + 2,50%	11,598,737	11,871,655
Secured loan (S)	Naturelgaz	USD	2022	Floating	USD Libor + 5,25%	37,978,500	38,385,632
Secured loan (S)	Naturelgaz	USD	2022	Floating	USD Libor + 5,25%	37,978,500	38,385,632
Unsecured loan	Naturelgaz	TL	Reactive	Fixed	-	489,427	489,427
Unsecured loan	Naturelgaz	EUR	2017	Floating	5,04%	331,482	331,482
Unsecured loan (S)	Straton Nihden	TL	Reactive	Fixed	-	215,000	215,000
Secured loan (S)	Straton Nihden	EUR	2021	Floating	Eurobar + 3,25%	6,615,629	6,829,979
Secured loan (S)	Straton Nihden	EUR	2016	Fixed	1,34%	19,226,400	19,226,400
Secured loan (S)	Straton Nihden	EUR	2021	Floating	Eurobar + 3%	6,633,688	7,066,320
Secured loan	Straton Nihden	EUR	2018	Fixed	5,52%	1,420,215	1,420,215
Secured loan (S)	Straton Nihden	TL	2018	Fixed	12%	191,521	194,908
Secured loan (S)	Bar Liman	EUR	2017	Fixed	8,20%	681,058	684,788
Secured loan (S)	Bar Liman	EUR	2017	Fixed	8%	477,695	477,263
Secured loan (S)	Bar Liman	EUR	2016	Floating	Eurobar + 6,20%	1,089,496	1,089,496
Secured loan (S)	BPI	EUR	2023	Floating	Eurobar +4 %	122,057,717	122,057,717
Secured loan (S)	BPI	EUR	2024	Floating	Eurobar +4 %	7,509,797	7,509,797
Secured loan (S)	Madaga Liman	Ayro	2025	Değişken	Eurobar + 1,75%	20,206,844	20,206,844
Secured loan (S)	TRES	TL	2017	Fixed	11%	35,285	35,285
Secured loan (S)	Global Ticari Emlek	USD	2025	Floating	Libor+ 6,20%	100,234,304	101,607,791
Unsecured loan	Menkul	TL	Reactive	Fixed	-	1,944,604	1,944,604
Unsecured loan	Tencen Enerji	TL	Reactive	Fixed	-	126,420	126,420
Secured loan	Mıvı Bnyrak Enerji	USD	2025	Floating	Libor+5,95%	14,468,000	14,476,494
						<b>1,765,557,864</b>	<b>1,782,065,804</b>
<b>Finance Lease Obligations</b>							
Leasing (S)	Ortodogu Liman	USD	2016 - 2020	Fixed	5,92 - 7,35 %	5,601,535	5,601,535
Leasing (S)	Edge Liman	USD	2020	Floating	5,75 - 7,75%	2,032,550	2,032,550
Leasing (S)	Edge Liman	EUR	2017	Floating	5,75 - 6,50%	7,614,436	7,614,436
Leasing (S)	Naturelgaz	USD	2019	Fixed	7 - 7,7%	14,187,918	14,187,918
Leasing (S)	Straton maden	EUR	2017	Fixed	6,04 -10,30 %	12,528,546	12,528,546
Leasing (S)	Trea Enerji	EUR	2018	Floating	5,80%	4,149,560	4,149,560
Leasing (S)	Trea Enerji	EUR	2019	Floating	Eurobar +3 %	2,640,493	2,640,493
Leasing (S)	Trea Enerji	EUR	2019	Fixed	6,2-6,25 %	23,958,837	23,958,837
Leasing (S)	Trea Enerji	EUR	2019	Fixed	5,45-5,50 %	18,292,369	18,292,369
Leasing	Mıvı Bnyrak Enerji	EUR	2020	Fixed	5%	6,935,391	6,935,391
						<b>1,863,499,499</b>	<b>1,880,007,439</b>

# Global Yatırım Holding A.Ş. And its Subsidiaries

## Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016 (Currency Turkish Lira ("TL") unless otherwise stated)

### 9 FINANCIAL LIABILITIES (Continued)

Loan Types	Company Names	Currency	Maturity	Interest Types	Nominal Interest Rate %	Principal (TL)	Carrying Value (TL)
31 December 2015							
Loans and issued debt securities used to finance							
Debt securities issued (i)	Holding	USD	2017	Fixed	11%	44,995,109	44,995,109
Bond issued (ii)	Holding	TL	2016	Floating	GDS+ 4,50%	75,000,000	75,000,000
Bond issued (ii)	Holding	TL	2017	Floating	GDS+ 4,75%	110,000,000	112,501,169
Bond issued (ii)	Holding	TL	2016	Floating	GDS+ 4,50%	85,000,000	86,046,234
Bond issued (ii)	Holding	TL	2017	Floating	GDS+ 4,50%	40,000,000	40,032,467
Unsecured loan (iii)	Holding	USD	2016	Floating	Libor + 7,50%	2,298,821	2,300,968
Secured loan (iii)	Holding	USD	2018	Floating	Libor + 6,76%	29,257,725	30,307,069
Secured loan (iii)	Holding	EUR	2018	Floating	Euribor + 6,76%	24,083,876	24,084,350
Secured loan (iii)	Holding	EUR	2019	Floating	Euribor + 6,70%	15,411,359	15,856,275
Unsecured loan	Holding	TL	Relative	Fixed	12,5%	18,000,000	18,000,000
Secured loan (iv)	Holding	EUR	2017	Floating	Libor + 6,50%	23,832,000	23,861,997
Secured loan (iv)	Holding	EUR	2020	Fixed	4,15%	35,940,476	34,977,422
Secured loan (iv)	VCP	EUR	2020	Floating	Euribor + 4,6%	69,907,200	70,240,926
Unsecured loan	Global Ports BV	TL	2016	Fixed	11,70%	295,175	295,175
Bond issued (v)	Global Liman	USD	2021	Fixed	8,13%	726,900,000	734,338,690
Secured loan	Ego Liman	USD	2016	Fixed	5,75%	436,140	436,140
Secured loan	Ego Liman	USD	2016	Fixed	6,25%	2,907,600	2,776,649
Secured loan	Ego Liman	USD	2016	Fixed	5,2%	3,779,880	3,779,880
Secured loan	Bodrum Liman	USD	2016	Fixed	7,75%	444,330	452,766
Secured loan	Pera	TL	2021	Floating	TR Libor + 5%	14,692,913	14,692,913
Secured loan	Pera	TL	2021	Floating	TR Libor + 4,95%	8,594,228	8,594,228
Secured loan	Pera	EUR	2021	Fixed	3,5%	3,000,000	3,093,549
Unsecured loan	Naturelgez	EUR	2016	Fixed	5,083,876	5,083,876	5,083,876
Secured loan (vii)	Naturelgez	TL	2017	Floating	12% - 14,30%	1,363,549	1,363,549
Secured loan (vii)	Naturelgez	TL	2022	Floating	TR Libor + 2,5%	9,107,612	9,351,779
Secured loan (vii)	Naturelgez	TL	2022	Floating	TR Libor + 2,3%	9,107,612	9,351,779
Secured loan (vii)	Naturelgez	USD	2022	Floating	USD Libor + 5,25%	30,529,800	30,870,284
Unsecured loan	Naturelgez	USD	2022	Floating	USD Libor + 5,25%	30,529,800	30,870,284
Secured loan (viii)	Siraton Maden	TL	Relative	Fixed	-	136,724	136,724
Secured loan (viii)	Siraton Maden	EUR	2016	Floating	Euribor + 3,25%	7,216,329	7,405,271
Secured loan (viii)	Siraton Maden	EUR	2016	Fixed	1,34%	19,065,600	19,065,600
Secured loan (viii)	Siraton Maden	EUR	2021	Floating	Euribor + 3%	7,419,698	7,672,434
Secured loan	Siraton Maden	EUR	2018	Fixed	5,92%	1,830,387	1,852,265
Unsecured loan	TRGS	TL	2018	Fixed	12%	216,966	216,966
Secured loan (ix)	Bar Liman	EUR	2017	Fixed	11%	63,214	63,214
Secured loan (ix)	Bar Liman	EUR	2017	Fixed	8,20%	859,883	858,706
Secured loan (ix)	Bar Liman	EUR	2017	Fixed	9% 8	619,712	619,086
Secured loan (ix)	BPI	EUR	2016	Floating	Euribor + 6,20%	2,001,091	2,001,091
Secured loan (ix)	BPI	EUR	2023	Floating	Euribor + 4%	129,997,036	126,337,865
Secured loan (ix)	BPI	EUR	2024	Floating	Euribor + 4%	7,622,242	7,435,533
Secured loan (ix)	Madaya Liman	EUR	2025	Floating	Euribor + 1,75%	21,171,510	21,066,895
Secured loan (ix)	Global Ticari Enjak	USD	2025	Floating	Libor + 6,20%	100,602,960	102,367,153
Unsecured loan	Menkul	TL	Relative	Fixed	-	2,512,158	2,512,160
						1,719,634,590	1,733,582,193
Finansal Kiralama borçları							
Leasing (x)	Ortadoğu Liman	USD	2016 - 2020	Fixed	5,92 % - 7,53%	6,447,975	6,447,975
Leasing (xv)	Ego Liman	USD	2020	Fixed	5,75% - 7,75%	614,351	614,351
Leasing	Ego Liman	EUR	2017	Floating	5,75% - 6,50%	8,330,527	8,330,527
Leasing (xi)	Naturelgez	USD	2019	Fixed	7% - 7,77%	17,231,954	17,231,954
Leasing (xi)	Naturelgez	EUR	2017	Fixed	6,04% - 10,30%	15,847,224	15,847,224
Leasing	Siraton Maden	EUR	2017	Fixed	5,80%	788,169	788,169
Leasing (xii)	Tres Enerji	EUR	2018	Floating	Euribor + 3%	3,121,770	3,121,770
Leasing (xii)	Tres Enerji	EUR	2019	Fixed	6,3%	15,090,916	15,090,916
Leasing (xii)	Tres Enerji	EUR	2019	Fixed	5,45% - 5,50%	11,464,848	11,464,848
Leasing (xii)	Navı Bayrak Doğu	EUR	2020	Fixed	5%	7,496,602	7,496,602
						86,454,344	86,454,346
						1,806,268,354	1,820,016,539

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

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#### 9 FINANCIAL LIABILITIES (continued)

Detailed information related to the significant loans and borrowings of 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 would be paid on maturity and interest would be 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 TAS 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 value of USD 40.119.000, with a maturity date of 30 June 2017 and an interest rate of 11% p.a. Interest will be paid in January and June each year. Thus, as at 31 December 2011, the nominal value of the aforementioned loan participation notes is USD 60.667.000. As of 31 July 2012, the loan participation notes has been closed by repayment of all interest and principal amounts.

As at 30 June 2016, the portion amounting to USD 24.644.000 of the new notes issued by the Company with a total amount of USD 40.119.000 are the notes held by the Company and its subsidiaries (31 December 2015: USD 24.644.000). 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 TAS 32. As at 30 June 2016, the net nominal value (principal amount) of the issued new notes (presented as debt securities issued) is USD 15.475.000 (31 December 2015: USD 15.475.000).

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 issued bonds to qualified investors amounting to TL 75.000.000 with 1.116 days maturity and an interest rate of GDS+4,5% on 29 March 2013. The interest is paid every 31 days. The loan amount was paid on maturity and the loan was closed on 18 April 2016.

The Company has issued bonds to qualified investors amounting to TL 85.000.000 with 910 days maturity and an interest rate of GDS+4,5% on 27 May 2014. The interest is paid every three months.

The Company has issued bonds to qualified investors amounting to TL 110.000.000 with 728 days maturity and an interest rate of GDS+4,75% on 5 May 2015. The interest is paid every three months.

The Company has issued bonds to qualified investors amounting to TL 40.000.000 with 727 days maturity and an interest rate of GDS+4,50% on 29 December 2015. The interest is paid every three months.

The Company has issued bonds to qualified investors amounting to TL 50.000.000 with 819 days maturity and an interest rate of GDS+5,25 % on 15 April 2016. The interest is paid every three months.

- (iii) On 27 June 2012, the Company has borrowed a total of USD 5.500.000, with an interest rate of Libor+7,5% and maturity on 27 June 2016. The loan amount was paid on maturity and the loan was closed on 27 June 2016.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

#### 9 FINANCIAL LIABILITIES (continued)

- (iii) On 27 July 2012, the Company has borrowed a total of USD 35.000.000, with an interest rate of Libor+7,5% and maturity on 27 July 2016. Interest and principal are paid every six months (in January and July). Under this loan agreement, a mortgage is issued on a building recognized under property, plant and equipment. The remaining principal amount of the loan as at 30 June 2016 is USD 5.031.250 (31 December 2015: USD 10.062.500).
- As at 31 December 2014, the Company has borrowed a total of EURO 9.000.000, with an interest rate of Euribor + 6,76 % and maturity on 31 December 2018. The interest is paid every six months. The remaining principal amount of the loan as at 30 June 2016 is EURO 6.308.532. (31 December 2015: EURO 7.579.266)
- On 30 January 2015, the Company has borrowed a total of EURO 5.000.000, with an interest rate of Euribor + 6,70 % and maturity on 30 January 2019. Interest and principal are paid every six months. The remaining principal amount of the loan as at 30 June 2016 is EURO 4.153.624. (31 December 2015: EURO 4.850.000)
- (iv) Global Liman has issued bonds by pricing resale gain to qualified investors amounting to USD 250.000.000 with 7 years maturity and 8,125 % coupon rate based on 8,250 % reoffer yield was completed on 14 November 2014. The bond is quoted on Irish Stock Exchange. Eurobonds contains the certain following covenants;
- If a concession termination event occurs at any time, Global Liman must offer to repurchase all of the notes pursuant to the terms set forth in the indenture (a "Concession Termination Event Offer"). In the Concession Termination Event Offer, the Issuer will offer a "Concession Termination Event Payment" in cash equal to 100% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and additional amounts, if any, on the notes repurchased, to the date of purchase (the "Concession Termination Event Payment Date"), subject to the rights of holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.
  - The consolidated leverage ratio would not exceed 5,0 to 1. Notwithstanding the foregoing clause (a), the Issuer and any Restricted Subsidiary will be entitled to incur any or all of the following indebtedness;
    - a) Indebtedness incurred by Global Liman ("the Issuer"), Ege Ports ("Guarantor") or Ortadoğu Liman ("Guarantor") pursuant to one or more credit facilities in an aggregate principal amount outstanding at any time not exceeding USD 5.000.000;
    - b) Purchase Money Indebtedness Incurred to finance the acquisition by the Issuer or a Restricted Subsidiary (all subsidiaries except Malaga Cruise Port and Lisbon Cruise Port) of assets in the ordinary course of business in an aggregate principal amount which, when added together with the amount of Indebtedness Incurred pursuant to this sub-clause and then outstanding, does not exceed USD 10.000.000;
    - c) Additional Indebtedness of the Issuer or any Guarantor (other than and in addition to Indebtedness permitted above) and (b) Port of Bar Indebtedness, provided, however, that the aggregate principal amount of Indebtedness outstanding at any time under sub-clauses (a) and (b) of this clause does not exceed USD 20.000.000; and provided further, that more than 50% in aggregate principal amount of any Port of Bar Indebtedness incurred pursuant to this clause is borrowed from the International Finance Corporation and/or the European Bank for Reconstruction and Development.
- (v) TL loans amounting to TL 13.477.450, represent the loans granted to Pera on 10 May 2013, to refinance the loans borrowed to finance Sümerpark Shopping Mall, an investment property of the Group. The amount of TL loans amounting to TL 10.767.938 represent the loans used for Skycity project. The Company, is joint guarantor for the refinancing loans over the term of all commitments and liabilities arising from these loans. As a guarantee for this loan, the land in Denizli Sümer Mahallesi is given as a mortgage and there is pledge over the Sümerpark Shopping Mall in favour of the lender.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

#### 9 FINANCIAL LIABILITIES (continued)

- (vi) On 26 March 2015, the Company has borrowed a total of EURO 10.000.000, with an interest rate of Euribor + 6,50 % and maturity on 22 December 2017. The remaining principal amount of the loan as at 30 June 2016 is EURO 7.500.000 (31 December 2015: EURO 7.500.000). Under this loan agreement, a mortgage is issued on a land recognized under property, plant and equipment amounting to EURO 15.000.000.
- (vii) On 1 April 2015, Naturelغاز has borrowed a total of USD 18.750.000 and TL 16.062.500, with an interest rate of TRLibor+2,5 % and USDLibor+5,25% respectively to finance investing activities. Interest and principal are paid every six months (in January and July). Under this loan agreement, the shares of a subsidiary of the Group amounting to TL 13.600.000 nominal value has been pledged. The Company, is joint guarantor for the refinancing loans over the term of all commitments and liabilities arising from these loans. The principal payments will start 18 months later, starting from 1 April 2015 and will be paid every six months. The loan agreements include financial covenants.
- (viii) Straton Maden entered into a loan agreement amounting to Euro 6.000.000 with an interest rate of 1,34% to finance investing activities and maturity in 2015. In addition to that loan, Straton Maden entered into a loan agreement amounting to Euro 4.406.000 with an interest rate of Euribor+3%-3,25 % in 2014.
- (ix) The loans used by Port of Bar to finance investing activities.
- (x) On 27 August 2010, Ortadoğu Liman has signed a finance lease agreement with the expiry date of 4 September 2015 and interest rate of 5,92% for the purchase of a port tugboat.  
On 23 December 2013, Ortadoğu Liman has signed a finance lease agreement with the expiry date of 30 June 2017 and interest rate of 5,75% for the purchase of a port tugboat.  
On 12 June 2014, Ortadoğu Liman has signed a finance lease agreement with the expiry date of 16 July 2020 and interest rate of 7,35% for the purchase of a port tugboat.  
On 27 June 2014, Ortadoğu Liman has signed a finance lease agreement with the expiry date of 16 August 2019 and interest rate of 7,35 % for the purchase of a port of a port forklift.
- (xi) Financial lease agreements signed by Naturelغاز with an interest rate of 6,04%-10,30% and expiry date of 2017-2019 for the purpose of leasing machinery and motor vehicles.
- (xii) Finance lease agreements signed by Tres Enerji to finance investments.
- (xiii) On 25 June 2014, Ege Liman has signed a finance lease agreement with an interest rate of 7,75% and expiry in 2020 to finance investments.
- (xiv) Barcelona Port Investments (BPI) has entered into a syndication loan amounting to EURO 60.249.642 with a maturity date on 2023, an interest rate of Euribor+4% and EURO 9.000.000 with a maturity date on 2025, an interest rate of Euribor+1,75% for investing activities. The remaining principal amounts of the loans as at 30 June 2016 are EURO 38.090.662 and EURO 2.343.589 respectively. There is a pledge on BPI shares amounting to EURO 19.640.360 (TL 63.008.239) and Creuers shares amounting to Euro 1.863.138 (TL 5.920.307) related to this loan.  
On 12 January 2010, Malaga Port has borrowed a loan from Unicaja amounted EURO 9.000.000 for a new terminal construction. The loan is a nonrecourse loan which has a 15 year maturity and 18 months non-refundable right effective from the term of the agreement related with Euribor conditions. Malaga Port has guaranteed repayment of principal and interest amounts of the loan by mortgaging its royalty right. The remaining principal amount of the loan as at 30 June 2016 is EURO 6.305.968.

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#### 9 FINANCIAL LIABILITIES (continued)

- (xv) Global Ticari Emlak has borrowed a total of USD 34.600.000 with an interest rate of Libor+6,20 % to finance construction over shopping mall in city of Van. Interest is paid every six months (in April and October).
- (xvi) Global Ports Europe BV entered into a loan amounting to EURO 22.000.000, on 16 November 2015 with a 6-year maturity, 12 months grace period and an interest rate of Euribor+4,60%. Principal and interest is paid twice, in May and November each year. Under this loan agreement, in the event of default, the shares of Global Ports Europe BV are pledged in accordance with a share pledge agreement.
- (xvii) The loan used by Valetta Cruise Port to finance investing activities.

A summary of other guarantees with respect to the loans are presented in Note 20.

The details of the foreign currency risk with respect to financial liabilities are presented in Note 33.

#### 10 TRADE RECEIVABLES AND PAYABLES

##### Current Trade receivables

As at 30 June 2016 and 31 December 2015, current trade receivables other than due from related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Receivables from customers	93.826.027	81.692.682
Doubtful receivables	7.547.058	7.332.113
Allowance for doubtful receivables	(7.547.058)	(7.332.113)
Other	1.152.200	234.810
<b>Total</b>	<b><u>94.978.227</u></b>	<b><u>81.927.492</u></b>

The movement of the allowance for doubtful trade receivables during the six-month periods ended 30 June 2016 and 30 June 2015 comprised the following:

	<u>2016</u>	<u>2015</u>
Balance at the beginning of the period (1 January)	(7.332.113)	(7.147.815)
Allowance for the period	(222.728)	(163.896)
Cancellation of allowances and collections	200.772	422.778
Exchange differences on translation	(192.989)	-
<b>Balance at the end of the period (30 June)</b>	<b><u>(7.547.058)</u></b>	<b><u>(6.888.933)</u></b>

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

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### 10 TRADE RECEIVABLES AND PAYABLES (continued)

#### Short-term trade payables

As at 30 June 2016 and 31 December 2015, short-term trade payables other than due to related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Payables to suppliers	89.897.554	74.151.475
Notes payable	6.868.136	9.255.272
<b>Total</b>	<b><u>96.765.690</u></b>	<b><u>83.406.747</u></b>

### 11 OTHER RECEIVABLES AND PAYABLES

#### Other current receivables

As at 30 June 2016 and 31 December 2015, other current receivables other than due from related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Deposits and advances given	4.119.375	3.487.396
Receivables from subsidiaries' and joint ventures' other shareholders	668.636	586.879
Tax returns	3.684.776	2.256.712
Other	2.632.536	1.199.610
<b>Total</b>	<b><u>11.105.323</u></b>	<b><u>7.530.597</u></b>

#### Other non-current receivables

As at 30 June 2016 and 31 December 2015, other non-current receivables other than due from related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Reimbursement of payments related to Baskent Dogalgaz lawsuit (Note 19)	48.236.312	48.469.692
Deposits and advances given	2.439.712	3.947.344
Receivables from Ada Metal	4.312.365	4.312.365
Other	5.033.528	5.029.659
<b>Total</b>	<b><u>60.021.917</u></b>	<b><u>61.759.060</u></b>

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### 11 OTHER RECEIVABLES AND PAYABLES (continued)

#### Other short-term payables

As at 30 June 2016 and 31 December 2015, other short-term payables other than due to related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Due to subsidiaries' and joint ventures' other shareholders	14.223.958	12.265.897
Taxes payable	8.730.367	8.430.137
Other	6.946.795	8.370.473
<b>Total</b>	<b><u>29.901.120</u></b>	<b><u>29.066.507</u></b>

#### Other long-term payables

As at 30 June 2016 and 31 December 2015, other long-term payables other than due to related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Consideration payable (*)	4.903.721	4.903.721
Deposits and advances given	4.428	771.340
Other	6.590.703	5.496.759
<b>Total</b>	<b><u>11.498.852</u></b>	<b><u>11.171.820</u></b>

(\*) The consideration payable amount TL 4.903.721 comprised the balance after deducting TL 4.596.279 that is paid for the property, plant and equipment and TL 1.500.000 that is given as the first advance from the acquisition value of TL 11.000.000 with regards to acquisition of Straton Maden.



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### 12 RECEIVABLES FROM AND LIABILITIES DUE TO OPERATIONS IN FINANCE SECTOR

#### Current receivables

As at 30 June 2016 and 31 December 2015, current receivables from operations in finance sector other than due from related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Receivables from customers	36.509.290	41.543.216
Receivables from money market	22.361.931	17.316.000
Doubtful receivables	1.309.129	1.316.097
Allowance for doubtful receivables	(1.309.129)	(1.316.097)
Other trade receivables	236.528	1.988.112
<b>Total</b>	<b><u>59.107.749</u></b>	<b><u>60.847.328</u></b>

#### Short-term liabilities

As at 30 June 2016 and 31 December 2015, short-term liabilities due to operations in finance sector other than due to related parties comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Payables to money market	51.082.523	52.302.243
Payables to customers	3.360.311	2.293.374
Payables to suppliers	1.613.053	2.800.669
Other	2.542.678	2.709.600
<b>Total</b>	<b><u>58.598.565</u></b>	<b><u>60.105.886</u></b>

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### 13 INVENTORIES

As at 30 June 2016 and 31 December 2015, inventories comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Trading properties	19.637.549	20.020.061
Raw materials (*)	45.056.040	37.137.173
Commercial goods (**)	11.635.008	10.532.408
Provision for inventories (**)	(10.131.158)	(10.131.158)
Other	1.947.255	1.925.183
<b>Total</b>	<b><u>68.144.694</u></b>	<b><u>59.483.667</u></b>

The details of trading properties as follows :

	<u>30 June 2016</u>	<u>30 June 2015</u>
Balance at the beginning	20.020.061	23.469.541
Additions	4.984.602	3.107.928
Disposals	(5.367.114)	(5.635.517)
	<b><u>19.637.549</u></b>	<b><u>20.941.952</u></b>

(\*) Bulk of inventories for raw materials comprised of inventories held by Straton Maden and Naturelgaz which operated in energy investments of the Group.

(\*\*) As at 31 December 2015 commercial goods and provision for inventories amounting to TL 9.435.881 consists of asphaltite stocks of Geliş Madencilik.

As at 30 June 2016 and 31 December 2015, 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 investment property to inventories in 2011. The land is located in Denizli, Plot 6224, Parcel numbered 1.

As at 30 June 2016 additions includes fines paid related to the office project amounting to TL 4.912.823 and progress invoices of 3rd Blok amounting to TL 71.779.

As at 30 June 2015 additions includes fines paid related to the office project amounting to TL 1.419.359 and progress invoices of 3rd Blok amounting to TL 1.688.569.

As at 30 June 2016 and 31 December 2015, the mortgage or pledge on the inventory of the Group is explained in Note 20.

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### 14 PREPAYMENTS AND DEFERRED INCOME

#### Prepayments-current

As at 30 June 2016 and 31 December 2015, current prepayments comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Prepaid expenses (*)	12.639.218	14.186.364
Other advances given(**)	43.357.174	24.851.767
Order advances given for inventories	11.742.240	5.065.255
Other	6.947.333	4.991.347
<b>Total</b>	<b><u>74.685.965</u></b>	<b><u>49.094.733</u></b>

#### Prepayments-non current

As at 30 June 2016 and 31 December 2015, non-current prepayments comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Advances given (**)	16.592.130	16.583.887
Prepaid expenses (*)	12.395.918	14.080.681
Other	1.587.878	1.598.056
<b>Total</b>	<b><u>30.575.926</u></b>	<b><u>32.262.624</u></b>

(\*) As at 30 June 2016 and 31 December 2015, the major part of prepaid expenses comprises of prepaid expenses for energy, mining and port operation activities of the Group.

(\*\*) As at 30 June 2016 and 31 December 2015, the major part of current and non-currents advances given comprises of advances given for developing projects of the Group for energy, mining and port operation investments.

#### Deferred income-short term

As at 30 June 2016 and 31 December 2015, short-term deferred income comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Advances received (*)	9.821.802	7.668.435
Deferred income	2.761.232	2.626.303
Other	113.521	57.390
<b>Total</b>	<b><u>12.696.555</u></b>	<b><u>10.352.128</u></b>

(\*) The major part of advances received comprises of advances received for third block sales of residence project of Sümerpark Residences and sales of Sky City office project which constructions are still in progress.

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#### 15 INVESTMENT PROPERTY

Movements of investment property during the six-month periods ended 30 June 2016 and 2015 are as follows:

	<u>30 June 2016</u>	<u>30 June 2015</u>
Carrying value as at 1 January	374.912.000	246.274.453
Additions	-	25.177.662
Currency translation differences	(870.686)	8.834.448
<b>Carrying value as at 30 June</b>	<b><u>374.041.314</u></b>	<b><u>280.286.563</u></b>

For the six-month period ended 30 June 2016 and 2015, additions are related to the projects in the construction phase.

Investment property consists of Sümerpark AVM, lands and school in Denizli and Van Shopping Mall which started to operations in 2015.

Sümerpark Shopping Mall has been officially opened on 12 March 2011 after the construction is completed. As at 30 June 2016, the fair value of Sümerpark Shopping Mall is amounting to TL 159.978.000 (31 December 2015: TL 159.978.000).

As at 31 December 2015, the Group has 16.611 m<sup>2</sup> area of land in Van province of Turkey acquired for the purpose of capital appreciation, which completed construction and officially opened in 2015 and classified to investment property. As at 30 June 2016, the fair value of Van Shopping Mall is amounting to USD 62.191.842 (TL 179.958.314) (31 December 2015: USD 62.191.842).

#### 16 PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the six-month periods ended 30 June 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Carrying value as at 1 January	563.508.560	389.041.333
Additions	74.368.381	37.473.973
Disposals	(4.119.571)	(1.377.681)
Addition to scope of consolidation	-	3.558.132
Current period depreciation	(24.778.480)	(20.597.131)
Transfer	-	108.112
Currency translation differences	603.568	28.003.877
<b>Carrying value as at 30 June</b>	<b><u>609.582.458</u></b>	<b><u>436.210.615</u></b>

A significant portion of the additions are comprised of construction in progress, machinery and equipment and furniture and fixtures for the six-month periods ended 30 June 2016 and 2015.

For the six-month periods ended 30 June 2016 and 2015, there is no capitalized finance expense on the property, plant and equipment.

The details of mortgages and pledge on property, plant and equipment are presented in Note 20.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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#### 17 INTANGIBLE ASSETS AND GOODWILL

##### a) Other Intangible assets:

	2016	2015
Carrying value as at 1 January	<u>1.557.059.796</u>	<u>1.259.868.920</u>
Additions	6.115.535	6.143.994
Disposals	(677.115)	-
Addition to scope of consolidation	-	279.211
Current period amortization	(52.902.213)	(44.366.475)
Transfer	-	(108.112)
Currency translation differences	9.573.988	112.279.831
Carrying value as at 30 June	<u><u>1.519.169.991</u></u>	<u><u>1.334.097.369</u></u>

##### b) Goodwill:

	2016	2015
Carrying value as at 1 January	<u>56.242.758</u>	<u>46.553.027</u>
Additions (*)	-	2.618.800
Currency translation differences	(180.046)	4.724.920
Carrying value as at 30 June	<u><u>56.062.712</u></u>	<u><u>53.896.747</u></u>

(\*) As at 30 June 2015 additions comprise of goodwill arise from acquisitions of Actus Portföy Yönetimi A.Ş. (formerly named was "Polsan Portföy Yönetimi A.Ş."), Eczacıbaşı Menkul Değerler and Eczacıbaşı Portföy Yönetimi A.Ş.

The Group evaluated the goodwill impairment indicators starting from 31 December 2015 and concluded that no impairment test is necessary as at 30 June 2016.

The basic assumptions related to the goodwill impairment tests as at 30 June 2016 are presented in the related disclosures in the consolidated financial statements as at 31 December 2015.

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#### 18 EQUITY ACCOUNTED INVESTEEES

As at 30 June 2016 and 31 December 2015, the details of financial information related to equity accounted investees are as follows:

	Participation	Carrying value	
	Rate	30 June 2016	31 December 2015
<b>Assets</b>			
Port of Singapore (**)	40,00%	4.238.748	2.920.367
Port of Lisbon (***)	50,00%	18.908.732	16.348.036
Venezia(****)	25,00%	16.243.919	-
<b>Total Assets</b>		<b>39.391.399</b>	<b>19.268.403</b>
<b>Liabilities</b>			
IEG (*)	50%	(440.595)	(391.687)
<b>Total Liabilities</b>		<b>(440.595)</b>	<b>(391.687)</b>
		<b>38.950.804</b>	<b>18.876.716</b>

(\*) Since Global Menkul will compensate the liabilities of IEG based on the its shareholding rates, the Group recognized a loss on IEG's financial statements under loss from equity accounted investees.

(\*\*) Global Liman, a subsidiary of the Group, acquired majority shares of BPI in the year 2014 and started to consolidate BPI as a subsidiary. With this acquisition transaction Singapore Port is recognised under equity accounted investees in consolidated financial statements.

(\*\*\*) The Group obtained a port operation right of Lisbon Cruise Port via a consortium comprising of RCCL, Creuers and Grupo Sousa Investimentos SGPS LDA ("Sousa"). Starting from 2014, Lisbon Cruise Port has been consolidated as equity accounted investees.

(\*\*\*\*) Venezia Investimenti Srl is an international consortium formed for investing in Venezia Terminal Passegeri S.p.A (VTP). The international consortium formed by Global Ports Holding (GPH), Costa Costa Crociere SpA, MSC Cruises SA and Royal Caribbean Cruises Ltd each having 25% share of the Company.

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#### 18 EQUITY ACCOUNTED INVESTEEES (continued)

30 June 2016	Current Assets	Non Current Assets	Total Assets	Short Term Liabilities	Long Term Liabilities	Total Liabilities	Income	Expenses	Net Profit/Loss for the period
IEG	701.429	11.833	713.262	(1.594.451)	-	(1.594.451)	20.984	(115.536)	(94.552)
Port of Lisbon	29.489.044	18.506.134	47.995.178	(10.177.713)	-	(10.177.713)	5.775.447	(3.599.314)	2.176.133
Port of Singapore	18.445.074	9.856.101	28.301.175	(9.653.201)	(8.051.102)	(17.704.303)	15.868.489	(13.041.816)	2.826.673
Venezia Investmenti	64.975.676	-	-	-	-	-	-	-	-
31 December 2015	Current Assets	Non Current Assets	Total Assets	Short Term Liabilities	Long Term Liabilities	Total Liabilities	Income	Expense	Net Profit/Loss for the period
IEG	737.171	6.830	744.001	(1.552.673)	-	(1.552.673)	2.201.250	(661.718)	1.539.532
Port of Lisbon	6.822.572	31.499.333	38.321.905	-	(5.625.833)	(5.625.833)	8.516.966	(6.005.014)	2.511.952
Port of Singapore	11.136.101	11.090.060	22.226.161	(8.425.133)	(6.500.108)	(14.925.242)	22.536.095	(21.113.798)	1.422.297

#### 19 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

##### 19.1 Other provisions

###### Other Short-Term Provisions

	30 June 2016	31 December 2015
Provision for lawsuits	5.412.757	5.358.449
Provision for consultancy expenses	1.332.365	1.016.620
	<b>6.745.122</b>	<b>6.375.069</b>

###### Other Long-Term Provisions

	30 June 2016	31 December 2015
Replacement provisions for Creuers	37.521.980	33.762.103
Restructuring provisions for Port of Bar	6.433.096	7.463.554
	<b>43.955.076</b>	<b>41.225.657</b>

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#### 19 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

##### 19.2 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 19.1. The information related with the significant lawsuits that the Group is directly or indirectly a party is as follows:

- (i) The employees of Port of Bar, Montenegro operated by an affiliate of the Group, filed several lawsuits requesting the payment of salary differences between 2011 and 2014 which fall behind the acquisition of the Port by the Group on 30 December 2013, and alleged salary differences with respect to the collective bargaining agreement as of 2014 until the date together with increase of salaries of existing employees on a pro rata basis, to the decrease in the number of employees who retired by participating in the social programmes. The cases are pending.
- (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 costlessly. On 2 March 2010, the court decided on restitution of shares costlessly 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. As a result of the appeal, the Supreme Court of Appeals overruled the decision and upon the trial before the Court of First Instance the Court again decided against the Group which the Group has appealed. The Supreme Court of Appeals affirmed the judgment and the decision became final. 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.
- (iii) 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. (newly named "Eiser Infrastructure Limited") 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, procured from Asya Katılım Bankası A.Ş. by the Consortium, submitted to the Municipality as a requirement under specifications by GYH, the 51,66% participant of the JV.

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. Afterwards, 13th Chamber of Council of State dismissed the case and the judgement of dismissal received on 4 August 2014. The decision has been appealed on 02 September 2014 by the Group lawyers. The Council of State affirmed the judgment and the decision is served to the Group on 28 July 2016. The Group lawyers will apply in due time for the revision of the decision.



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#### **19 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)***

##### **19.2 Legal issues *(continued)***

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 Bařkentgaz shares as at the date of the decision. Thus, the Turkish Privatization Administration finalized the privatization process of the Bařkentgaz shares by means of making several tenders in 2014.

As the Group planned to file a lawsuit regarding the payment of the Letter of Guarantee amounting to USD 50.000.000, Boru Hatları ile Petrol Tařıma A.ř. ("BOTAř") 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 Beyođlu Commercial Court to prevent the liquidation of the Letter of Guarantee. 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 BOTAř before the First Chamber of the Beyođlu 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. 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 lawsuit which is behind Ankara 3<sup>rd</sup> Chamber Commercial Court.

The file has been sent to a three person expert commission for detailed examination on 17 January 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 Bid Bond amounting to USD 50.000.000 has been paid by the Group. The decision has been appealed. As a result of the appeal, the Supreme Court of Appeals acknowledged all our objections and reversed the decision in favor of the Group. The defendant Municipality requested for the revision of decision and such revision request has been rejected by the Supreme Court. The file has been sent to Ankara 4th Chamber Commercial Court with the new file number 2016/37 in order to evaluate if the decision of reversal is whether or not applied accordingly. Next hearing will be held on 19 October 2016.

The Group has made provision amounting to USD 50.000.000 (TL 89.130.000) by taking the situation as of 31 December 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 (TL 43.085.442) has been initiated.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

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#### 19 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

##### 19.2 Legal issues (continued)

The Company filed a lawsuit against STFA before 36th İstanbul Civil Court on the date of 11 March 2014 in request for the compensation of the bid bond from STFA provided by the Company on behalf of joint venture partnership including STFA, in the amount of USD 5.000.000 STFA's portion of the bid bond, with accruing advance interest as from 7 March 2013 date of default and the collection of the defendant's portion of expenses which are bid bond commission in order to give the bid to Başkentgaz tender, cost of loan interest, cost of fiscal, technical, legal consultancy including expenses, litigation cost, travel and stationery cost and other expenses, in the amount of TL 1.505.755 with accruing advance interest as from incurring date for each.

The parties came to an agreement with and settled by signing a Settlement Agreement dated 9 December 2014, then the Court dismissed the case because of devoid of essence and the decision is finalized.

The Company filed a recouring lawsuit on 11 March 2014 before İstanbul 33rd Commercial Court of First Instance for collection from the defendant Enerya (former title Energaz) and payment to the Company, the amount of USD 2.500.000 to be paid by Enerya its share with respect to the bid bond issued by the joint venture which Enerya was a member of, together with the advanced interest to accrue as of the default date 7 March 2013; and collection from the defendant Enerya and payment to the Company, of TL 752.878 spent by the Company for participating in the Başkentgaz tender including all financial, technical and legal counseling costs, litigation costs, travel and other expandable expenses regarding the bid bond commission, credit interest costs and other expenses, together with the advance interests to accrue on each of them as of the day such items were realized.

The parties came to an agreement with and settled by signing a Settlement Agreement dated 9 December 2014, then the Court dismissed the case because of devoid of essence and the decision is finalized.

Briefly as at 31 December 2012, the Group allocated provision amounting to USD 50.000.000 (TL 89.130.000) under "provisions" in its consolidated financial statements. The reimbursement of the provisions is accounted for under "other receivables" as "reimbursement of provisions" amounting to USD 24.170.000 (TL 43.085.422) and a net amount of provision and reimbursement of the provision amounting to USD 25.830.000 (TL 46.044.558) is accounted for as provision expense under "finance costs" in the consolidated financial statements. As of 31 December 2013, since the liability have been paid, the receivables amounting to TL 51.586.031 accounted as "reimbursement of payments" in the other receivables. As at 31 December 2014, the Group has come to agreement with Enerya and STFA and the related amount has been collected. The difference between the receivable arising from the recourse and the agreed amount, has been written off and expensed under finance costs in the amount of TL 9.379.317. As of 30 June 2016, USD 16.670.000 (TL 48.236.312) is accounted for under "other receivables" as "reimbursement of provisions".

On the other hand, the Municipality filed a lawsuit against the Company and Energaz before 4th Ankara Commercial Court on the date of 26 March 2013 in request for the compensation for unlawful preliminary injunction. The requested compensation amount is USD 10.000.000, save for the rights to surplus related to lawsuit, request and other damages especially interest income loss of the municipality and damages arising from forced loan, with accruing commercial interest as from 31 December 2008. The lawsuit petition and interim decision related to the lawsuit have been received on 7 May 2013. In the rebuttal petition dated 15 May 2013, the Group's lawyers claimed for nonsuit and requested for awaiting the finalization of the decision of the superior court by reason of the fact that the compensation lawsuit was filed before giving ruling on the primal lawsuits conducted before 4th Ankara Commercial Court numbered 2010/308 E. and the Thirteenth Chamber of Council of State numbered 2010/920 E. Besides, the Group's lawyers requested for evidencing of tangible damages of plaintiff and determining of the scope of compensation in accordance with the Code of Obligation Article 51. The Court has decided to pend the filing until the decision of the file before the same Court with the file number of 2016/37 detailed above. Next hearing will be held on 05 October 2016.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

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#### 19 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

##### 19.2 Legal issues (continued)

(iv) 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 expert report and the additional report have been received and the parties have raised objections to such reports. In the hearing held on 3 March 2014, it has been decided to be pend the filing until the decision of the file numbered 2010/920 before 13th Council of State. Since the lawsuit with the file numbered 2010/920 before 13th Council of State which is regarding the forfeiture of the letter of guarantee has been decided to be pended, interrelation with and the differences from the lawsuit have been indicated in the most recent petition. In the said petition, it has been stated that the decision taken by the Administrative Court has no defect evaluation for Global; and only has an defect evaluation for the JV, and therefore it has been defended that the interrelation of the parties are different and lawsuit must be approved without making it a pending issue. During the hearing held on 24 February 2016, the Court has removed the pending decision and rejected the lawsuit. The decision has been appealed on 27 May 2016. The petition was notified on 10 June 2016 and the appellee had submitted their petition on June 24 of 2016. The decision is appealed with the file number of 2016/14130 obtained from 3rd Supreme Court.

(v) 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 draft of the Right of Water Usage Agreement was sent to Dağören by the Administration.

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.

## Global Yatırım Holding A.Ş. And its Subsidiaries

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

#### 19 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

##### 19.2 Legal issues (continued)

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.

There is no any other substantial alteration in relation to other lawsuits affecting the financial statements as from the reporting date the consolidated financial statements dated 31 December 2015 submitted by the Group.

##### 19.3 Contingent assets and liabilities

Details of the Group's guarantees, pledges and mortgages ("GPM's") are presented in Note 20. The Group's other contingent assets and liabilities are disclosed in the consolidated financial statements as at 31 December 2015. As at 30 June 2016, there were no significant changes in these contingent assets and liabilities.

#### 20 COMMITMENTS

As at 30 June 2016 and 31 December 2015 guarantees, pledges and mortgages (GPMs) given by the Group are presented below:

30 June 2016

	TL Equivalent	Original Amount		
		TL	USD	EURO
A Total amount of GPMs given in the name of its own legal personality	359.164.451	214.291.331	10.200.000	36.000.000
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	686.517.315	183.455.064	97.451.178	68.991.862
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	-	-	-	-
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	-	-	-	-
<b>Total</b>	<b>1.045.681.766</b>	<b>397.746.395</b>	<b>107.651.178</b>	<b>104.991.862</b>

31 December 2015

	TL Equivalent	Original Amount		
		TL	USD	EURO
A Total amount of GPMs given in the name of its own legal personality	300.383.283	156.332.163	10.200.000	36.000.000
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	676.320.758	204.656.128	89.880.797	66.190.592
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	-	-	-	-
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	-	-	-	-
<b>Total</b>	<b>976.704.041</b>	<b>360.988.291</b>	<b>100.080.797</b>	<b>102.190.592</b>

As at 30 June 2016 the ratio of other GPMs given to the Group's equity is 0% (31 December 2015: 0%).

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

#### 20 COMMITMENTS (continued)

Guarantees and the details of the GPMs given by the Group are presented below:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Given to Energy Market Regulatory Authority (1)	4.573.240	3.035.640
Given for tenders	6.042.200	7.341.970
Given as a guarantee for commercial contracts	19.226.400	19.065.600
Given to Borsa Istanbul	10.812.500	11.362.500
Given to Takasbank	31.075.000	38.625.000
Given to Privatization Administration	13.195.052	13.258.684
Given to supply for natural gas	34.244.191	24.928.143
Given to courts, ministries, Tax Administration	1.459.578	846.812
Given to Capital Markets Board	4.576	2.776
Other	12.781.650	29.688.662
<b>Total letters of guarantee</b>	<b><u>133.414.387</u></b>	<b><u>148.155.787</u></b>
Mortgages and pledges on inventory, property plant and equipment and investment property (2)	491.753.504	431.261.090
Pledges on equity securities (3)	177.634.431	183.787.916
Sureties given (4)	242.879.444	213.499.248
<b>Total contingent liabilities</b>	<b><u>1.045.681.766</u></b>	<b><u>976.704.041</u></b>

(1) The amounts include the letters of guarantee given by Group companies operating in energy sector to EMRA.

(2) Mortgages and pledges on inventory, property, plant and equipment and investment property:

As at 30 June 2016, there is a mortgage amounting to TL 120.000.000 and Euro 15.000.000 ( TL 48.066.000) over one of the buildings of Global Yatırım Holding A.Ş. (which is classified as property, plant and equipment) with respect to the loans obtained (31 December 2015: TL 60.000.000 and Euro 15.000.000).

As at 30 June 2016, there is mortgage on the land of the Group located in Denizli , which is classified as investment property, as collateral of the Group's bank loans amounting to TL 84.500.000 and Euro 15.000.000 (TL 48.066.000) (31 December 2015 : TL 84.500.000 and Euro 15.000.000). In addition as at reporting date, there is a mortgage on the land of the Group located in Van ,classified as investment property, related with the loans used by Global Ticari Emlak amounting to USD 50.000.000 (TL 144.680.000).

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

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#### 20 COMMITMENTS (continued)

As at 30 June 2016, there is a pledge over the property, plant and equipment of Port of Bar amounting to Euro 1.000.000 (TL 3.204.400) with respect to the loans obtained by Port of Bar and there is a pledge over the property and equipment of Port of Barcelona amounting to Euro 13.493.042 (TL 43.237.104).

#### (3) Pledges on equity securities:

As at 30 June 2016, the Group gave marketable securities with a nominal value of USD 10.200.000 (TL 29.514.720) (31 December 2015: TL 29.657.520) and equity shares amounting to TL 9.402 (31 December 2015: TL 25.634) as collateral with respect to ongoing legal proceedings. There is a pledge on BPI shares amounting to Euro 19.640.3600 (TL 62.935.570) and on Creuers shares amounting to Euro 1.863.138 (TL 5.970.239) related to the loans used by BPI. As at 30 June 2016, there is a pledge on shares of Global Ticari Emlak amounting to TL 38.600.000 with respect to the loans obtained by Global Ticari Emlak.

As mentioned in Note 8, as at 31 December 2015, financial investments amounting to TL 2.919.278 given to BIST as collateral according to the blockage of brokerage transactions in return for the letters of guarantee obtained from banks (30 June 2016: None). As at 31 December 2015, government bonds amounting to TL 650.969 are given to Turkish Derivative Exchange ("VOB") for transaction guarantee (30 June 2016: None). As at 30 June 2016, treasury shares amounting to TL 27.004.500 (31 December 2015: TL 30.005.000) as mentioned in Note 23.1 has been pledged for loans and debt securities. In addition, there is a pledge on shares with a nominal value of TL 13.600.000 on a subsidiary of the Group as at 30 June 2016 (31 December 2015: TL 13.600.000).

#### (4) Securities given:

As at 30 June 2016, the Group provided guarantee amounting to TL 37.628.800 for the loans of Pera, a subsidiary of the Group (31 December 2015: TL 31.464.566). The Group provided guarantee amounting to Euro 11.000.000 (TL 35.248.400) with respect to loans used by Straton Maden, a subsidiary of the Group (31 December 2015: TL 34.953.600). The Group provided surety amounting to Euro 14.009.393 (TL 44.891.699) with respect to lease agreement of Tres Enerji and amounting to Euro 2.164.334 (TL 6.935.391) with respect to loan agreement of Mavi Bayrak Enerji and amounting to USD 5.002.935 (TL 14.476.494) with respect to lease agreement of Mavi Bayrak Doğu. The Group provided surety amounting to USD 1.935.836 ( TL 5.601.536) with respect to lease agreement of Ortadoğu Liman. In addition, the Group provided surety amounting to TL 98.097.124 with respect to loan and lease agreements of, Naturelgaz, a subsidiary of the Group.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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#### 21 EMPLOYEE BENEFITS

##### Payables related to employee benefits

As at 30 June 2016 and 31 December 2015, payables related to employee benefits comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Payables to personnel	4.687.281	4.279.106
Social security premiums payable	1.446.163	1.435.638
Other	2.490	2.438
<b>Total</b>	<b><u>6.135.934</u></b>	<b><u>5.717.182</u></b>

##### Provisions for employee benefits

As at 30 June 2016 and 31 December 2015, provisions for employee benefits comprised the following:

##### Short term provisions

	<u>30 June 2016</u>	<u>31 December 2015</u>
Provision for notice pay and vacations	2.672.745	2.257.551
Provision for personnel premium	297.700	221.189
	<b><u>2.970.445</u></b>	<b><u>2.478.740</u></b>

##### Long term provisions

Long term provisions included provision for employment termination indemnities. The details of the long term provisions are as follows:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Provision for employment termination indemnity	8.500.366	7.497.354
	<b><u>8.500.366</u></b>	<b><u>7.497.354</u></b>

The assumptions used to recognize provision for employment termination benefits are explained below:

Under the Turkish Labor Law, the Group is required to pay employment termination benefits to each employee who has qualified for such benefits as the employment ended. The amount payable consists of one month's salary limited to a maximum of TL 4.297 for each period of service as of 30 June 2016 (31 December 2015: TL 3.828).

Provision for employment termination indemnity are not subject to any statutory funding.

For the six-month periods ended 30 June 2016 and 2015, the movement of the provision for employment termination indemnity as follows:

	<u>2016</u>	<u>2015</u>
Balance at 1 January	7.497.354	5.589.649
Interest for the period	30.971	51.989
Current service costs	1.106.652	513.049
Paid during the period	(380.424)	(86.774)
Currency translation differences	287.344	190.924
Addition to scope of consolidation	-	769.407
Actuarial gain/losses	(41.531)	(19.073)
<b>Balance at 30 June</b>	<b><u>8.500.366</u></b>	<b><u>7.009.171</u></b>

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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#### 22 OTHER ASSETS AND LIABILITIES

##### a) Other current assets

As at 30 June 2016 and 31 December 2015, other current assets comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Deferred value added tax (*)	29.282.279	29.193.276
Job and salary advances given to personnel	11.606.512	9.187.363
Income accruals	4.931.982	1.592.592
Other	1.778.544	2.745.322
<b>Total</b>	<b><u>47.599.317</u></b>	<b><u>42.718.553</u></b>

(\*) The Group has classified deferred VAT assets as current or non-current assets on basis of future realizable projections.

##### b) Other non current assets

As at 30 June 2016 and 31 December 2015, other non-current assets comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Deferred value added tax (*)	4.354.737	4.277.564
Job and salary advances given to personnel (**)	8.865.713	8.980.685
<b>Total</b>	<b><u>13.220.450</u></b>	<b><u>13.258.249</u></b>

(\*) The Group has classified deferred VAT assets as current or non current assets on basis of future realizable projections.

(\*\*) Includes long term personnel and job advances given by a subsidiary of the Group which is operating abroad.

##### c) Other short-term liabilities

As at 30 June 2016 and 31 December 2015, other short-term liabilities comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Liability accruals for contracting firms	9.526.352	18.927.664
Liabilities related with real estate (*)	5.168.000	6.168.000
Expense accruals	3.626.892	1.254.912
Other	588.980	1.081.631
<b>Total</b>	<b><u>18.910.224</u></b>	<b><u>27.432.207</u></b>

(\*) Includes payables based on the protocol between the Group and Van Municipality.

##### d) Current income tax assets

As at 30 June 2016 and 31 December 2015, current income tax assets comprised the following:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Prepaid taxes and funds	6.870.675	2.306.088
	<b><u>6.870.675</u></b>	<b><u>2.306.088</u></b>



## Global Yatırım Holding A.Ş. And its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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### 23 CAPITAL AND RESERVES

#### 23.1 Share capital / Treasury shares

##### Share capital:

As at 30 June 2016 and 31 December 2015, the Company's statutory nominal value of paid-in share capital consists of 193.500.000 registered shares with a par value of TL 0,01 each. 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 193.500.000 and the authorized capital ceiling is TL 650.000.000. The shareholder structure of the Company is as follows :

	30 June 2016		31 December 2015	
	Proportion of share %	Value of share	Proportion of share %	Value of share
Mehmet Kutman (*)	35,36%	68.417.179	33,75%	65.310.594
Erol Göker	0,25%	488.707	0,25%	488.707
Publicly traded other shares	64,39%	124.594.114	66,01%	127.700.699
<b>Total</b>	<b>100%</b>	<b>193.500.000</b>	<b>100%</b>	<b>193.500.000</b>
Inflation accounting adjustment		34.659.630		34.659.630
<b>Inflation adjusted capital</b>		<b>228.159.630</b>		<b>228.159.630</b>

(\*) 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 and these shares are disclosed in the consolidated financial statements as at 31 December 2015.

##### Treasury shares:

Some of the subsidiaries of the Company repurchased shares of the Company from the capital markets in prior periods. These 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 accounted for under retained earnings in the consolidated financial statements. The shares are accounted for at cost under treasury shares owned by the Company and treasury shares owned by the subsidiaries. Amounts related to these transactions are presented under "Own shares acquired and sold" in the consolidated statement of changes in equity. As at 30 June 2016, the Company held 18.017.730 shares of Global Yatırım Holding A.Ş (31 December 2015: 18.017.730 shares), with the cost of TL 22.143.104 (31 December 2015: TL 22.143.104).

For the period ended 30 June 2015, the profit before tax of the Group companies from the sale of the shares of the Company amounted to TL 6.662.657 (30 June 2016: None) and has been recognised in equity in the consolidated financial statements.

## **Global Yatırım Holding A.Ş. And its Subsidiaries**

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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### **23 CAPITAL AND RESERVES (continued)**

#### **23.1 Share capital / treasury shares (continued)**

##### **Treasury shares (continued):**

In accordance with Article 520 of the Turkish Commercial Code no 6102, reserve provision is made for the treasury shares owned by the Company as the amount allocated to meet the acquisition value. As at 30 June 2016, the Group made provision for the shares owned by the Company amounting to TL 22.143.104 accounted under restricted reserves in the consolidated financial statements (31 December 2015: TL 22.143.104).

#### **23.2 Share premium/discounts**

Share premium represents the inflow of cash arising from the sales of shares on market value. The premium amount is included in equity and can not be distributed. It can only be used for the future capital increases.

#### **23.3 Other comprehensive income/expense not to be reclassified to profit or loss**

This item comprises, income/expenses defined as a component of other comprehensive income and reported for the period in which they arise and in no case transferred directly in equity through profit or loss such as following:

a) Gain/Loss on Revaluation and Remeasurement

- Actuarial gain/(loss) on employee benefits

b) Other Gain/Loss

##### *Special funds*

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-emptive 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.

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Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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### **23 CAPITAL AND RESERVES (continued)**

#### **23.3 Other comprehensive income/expense to be reclassified to profit or loss (continued)**

This item comprises, income/expenses defined as a component of other comprehensive income and reported for the period in which they arise and subsequently transferred directly in equity through profit or loss such as following:

##### **a) Currency translation differences**

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.

##### **b) Gain/loss on revaluation and remeasurement**

- Gain/loss on revaluation and remeasurement of available-for-sale financial assets

Gain/loss on revaluation and remeasurement comprises from the change in fair value of available for sale financial assets.

##### **c) Gain or loss on net investment hedge**

A subsidiary of the Group, Global Liman's foreign exchange differences arising from foreign currency loans into currency of the related subsidiary's functional currency other than TL which are part of net investments made to its subsidiaries have been considered as hedging instruments and effective portion of them has been recognized in other comprehensive income in the consolidated financial statements. The accounting method mentioned above has been applying since 1 October 2013 and the Group has recognized income amounting to TL 3.272.809 for the six month period ended 30 June 2016 and has recognized loss amounting to TL 81.780.249 six-month period ended 30 June 2015 in other comprehensive income within equity. Additionally in 2016, Group has recognized loss amounting to TL 4.655.952 in other comprehensive income within equity for "commodity derivatives" and "forward currency agreements" related with investment hedges.

#### **23.4 Restricted reserves**

As at 30 June 2016, the Group's restricted reserves are total of TL 87.435.753 (31 December 2015: TL 76.915.357). These reserves set aside according to the principles described in the related disclosures in the consolidated financial statements as at 31 December 2015.

#### **23.5 Retained earnings / accumulated losses and non-controlling interests**

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.

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.

#### **23.6 Dividend Distribution**

Publicly held companies distribute dividends according to "Dividend Distribution Announcement" numbered II-19.1 and issued by CMB at 1 February 2014. Dividends of companies are distributed based on dividend distribution policy and related regulations approved by General Assembly There is not any minimum rate for distribution in the announcement mentioned-above. Companies distribute dividends according to their prime contracts or dividend distribution policy. In addition, it is possible to pay dividends in equal or different instalments and distribute dividend advance in cash for profit in interim financial statements.

The Group recognized net profit amounting to TL 45.797.360 for the period 1 January-30 June 2016 (1 January-30 June 2015: TL 15.127.931 net profit) in its stand-alone statutory financial statements prepared in accordance with Tax regulation and TCC.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

#### 24 REVENUE AND COST OF SALES

For the six-month periods ended 30 June 2016 and 2015, the Group's gross profit on the basis of operations comprised the following :

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
<b>Revenue</b>				
Natural gas revenues	69.952.034	46.559.086	77.699.311	49.068.834
Port operating revenues	153.927.146	99.367.342	120.621.537	78.138.676
Mining revenues	20.410.777	7.631.257	14.267.145	9.016.008
Real estate rent and service revenues	11.664.156	5.867.101	6.251.712	4.956.663
Other	8.068.505	4.608.236	1.580.734	1.509.771
<b>Total</b>	<b>264.022.618</b>	<b>164.033.022</b>	<b>220.420.439</b>	<b>142.689.952</b>
<b>Cost of sales</b>				
Cost of natural gas sales and services	(55.856.229)	(37.644.104)	(62.238.287)	(36.708.282)
Cost of port operations	(103.471.229)	(55.113.771)	(85.778.061)	(45.774.253)
Cost of mining operations	(17.851.194)	(7.197.531)	(6.421.176)	(2.975.126)
Cost of real estate service	(1.836.506)	(806.228)	(3.316.049)	(3.066.089)
Other	(6.248.480)	(3.728.277)	(10.345.789)	(9.534.262)
<b>Total</b>	<b>(185.263.638)</b>	<b>(104.489.911)</b>	<b>(168.099.362)</b>	<b>(98.058.012)</b>
<b>Gross Profit from Non-finance Operations</b>	<b>78.758.980</b>	<b>59.543.111</b>	<b>52.321.077</b>	<b>44.631.940</b>
<b>Revenues from Finance Operations</b>				
Agency commissions	9.153.194	4.628.523	7.734.430	3.616.239
Interest received from customers	4.300.378	2.133.460	3.515.402	1.724.435
Portfolio management fees	1.069.353	607.086	127.201	115.822
Gain on sale of marketable securities, net	283.135	135.722	486.678	250.537
Other revenue	1.719.633	290.678	1.794.306	1.222.621
<b>Total</b>	<b>16.525.693</b>	<b>7.795.469</b>	<b>13.658.017</b>	<b>6.929.654</b>
<b>Cost of Revenues from Finance operations (-)</b>				
Commission charges	(359.821)	(190.946)	(577.367)	(253.710)
Interest charges from loans delivered to customers	(2.529.534)	(1.290.402)	(1.685.671)	(914.049)
<b>Total</b>	<b>(2.889.355)</b>	<b>(1.481.348)</b>	<b>(2.263.038)</b>	<b>(1.167.759)</b>
<b>Gross Profit from Finance Operations</b>	<b>13.636.338</b>	<b>6.314.121</b>	<b>11.394.979</b>	<b>5.761.895</b>
<b>GROSS PROFIT</b>	<b>92.395.318</b>	<b>65.857.232</b>	<b>63.716.056</b>	<b>50.393.835</b>

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#### 25 GENERAL AND ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

##### 25.1 Marketing expenses

For the six-month periods ended 30 June 2016 and 2015, marketing expenses comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Personnel expenses	4.546.201	2.441.076	3.597.867	1.792.297
Depreciation and amortization expenses (Note 16-17)	2.269.051	1.145.164	1.866.272	968.522
Export expenses of mining operations	5.213.860	1.525.320	3.225.223	1.467.927
Advertising and promotion expenses	1.833.524	939.280	907.392	644.059
Rent expenses	577.298	212.932	680.403	359.029
Taxes and duties	710.272	458.694	1.116.677	835.031
Commission expenses of derivative exchange market	301.759	126.486	262.954	141.720
Representation expenses	228.811	86.298	232.277	143.907
Stock market participation share	685.634	374.543	579.416	289.056
Consultancy expenses	330.150	150.413	216.019	83.088
Other	2.003.384	911.467	1.473.103	675.346
	<b>18.699.944</b>	<b>8.371.673</b>	<b>14.157.603</b>	<b>7.399.982</b>

##### 25.2 General and administrative expenses

For the six-month periods ended 30 June 2016 and 2015, general and administrative expenses comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Personnel expenses	34.532.263	16.515.643	27.370.132	14.920.829
Consultancy expenses	6.134.604	3.493.196	4.256.945	2.108.607
Travelling expenses	5.226.532	3.291.486	2.028.691	1.161.092
Taxes and duties other than on income	2.952.375	2.002.028	1.934.453	802.414
Depreciation and amortization expenses (Note 16-17)	6.087.994	3.939.149	3.849.136	1.099.932
IT expenses	2.244.602	1.093.288	1.558.355	973.171
Communication expenses	985.070	456.214	819.439	418.017
Building management expenses	960.761	494.526	955.201	551.071
Rent expenses	2.856.529	1.902.533	690.661	344.449
Vehicle expenses	1.063.600	543.106	811.483	435.672
Representation expenses	2.031.851	670.860	1.390.103	675.295
Stationary expenses	370.142	188.023	334.656	148.931
Repair and maintenance expenses	984.640	393.608	294.739	153.034
Other expenses	5.424.743	3.483.535	4.671.599	3.168.051
	<b>71.855.706</b>	<b>38.467.195</b>	<b>50.965.593</b>	<b>26.960.565</b>

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

#### 26 EXPENSES BY NATURE

For the six-month periods ended 30 June 2016 and 2015, the breakdown of personnel, depreciation and amortization expenses comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Personnel expenses				
Cost of sales	18.775.342	9.452.479	14.289.333	6.882.771
Marketing expenses	4.546.201	2.441.076	3.597.867	1.792.297
General administrative expenses	34.532.263	16.515.643	27.370.132	14.920.829
	<b>57.853.806</b>	<b>28.409.198</b>	<b>45.257.332</b>	<b>23.595.897</b>

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Depreciation and amortization expenses				
Cost of sales	69.323.648	33.457.899	59.248.198	29.906.632
Marketing expenses	2.269.051	1.145.164	1.866.272	968.522
General administrative expenses	6.087.994	3.939.149	3.849.136	1.099.932
	<b>77.680.693</b>	<b>38.542.212</b>	<b>64.963.606</b>	<b>31.975.086</b>

#### 27 OTHER OPERATING INCOME / EXPENSES

##### 27.1 Other operating income

For the six-month periods ended 30 June 2016 and 2015, other operating income comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Dividend income (*)	576.774	576.774	453.080	453.080
Rental income	623.788	422.945	523.721	302.530
Foreign currency exchange gain on trade operations, net	198.272	198.272	8.673.236	3.032.905
Reversal gain of provisions	1.124.860	1.124.860	-	-
Other miscellaneous income	2.774.643	678.319	7.546.070	5.487.643
Total	<b>5.298.337</b>	<b>3.001.170</b>	<b>17.196.107</b>	<b>9.276.158</b>

(\*) Includes dividend income from Global Menkul's investment in Takasbank which is in the main operation scope of Global Menkul.

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#### 27 OTHER OPERATING INCOME / EXPENSES (continued)

##### 27.2 Other operating expenses

For the six-month periods ended 30 June 2016 and 2015, other operating expense comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Donations	133.647	98.842	153.846	15.275
Project expenses (*)	3.940.251	1.382.665	8.032.704	5.818.498
Partial exception expenses	-	-	224.400	26.532
Impairment loss	610.481	610.481	-	-
Penalty expenses	-	-	708.226	708.226
Other miscellaneous expenses	2.743.691	1.271.206	2.370.159	1.608.001
<b>Total</b>	<b>7.428.070</b>	<b>3.363.194</b>	<b>11.489.335</b>	<b>8.176.532</b>

(\*) The major part of project expenses comprises of uncapitalized project expenses for port investments of the Group.

#### 28 INCOME AND EXPENSE FROM INVESTING ACTIVITIES

##### 28.1 Income from investing activities

For the six-month periods ended 30 June 2016 and 2015, income from investing activities comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Gain on sale of financial assets	73.302	56.956	-	-
Gain on sale of fixed assets	-	-	514.196	514.196
Other	74.126	58.144	225.778	225.778
<b>Total</b>	<b>147.428</b>	<b>115.100</b>	<b>739.974</b>	<b>739.974</b>

##### 28.2 Expense from investing activities

For the six-month periods ended 30 June 2016 and 2015, expense from investing activities comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Valuation differences on financial assets	35.732	(156.993)	525.327	52.182
Loss on sale of financial assets	353.038	351.849	-	-
Other	4.163	4.163	-	-
<b>Total</b>	<b>392.933</b>	<b>199.019</b>	<b>525.327</b>	<b>52.182</b>

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#### 29 FINANCE INCOME

For the six-month periods ended 30 June 2016 and 2015, finance income of the Group comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Foreign currency exchange gain	10.266.363	(1.085.525)	29.487.925	4.075.622
Interest income	3.649.656	1.886.470	3.155.219	1.689.431
Other	1.131.902	(122.075)	541.714	463.668
<b>Total</b>	<b>15.047.921</b>	<b>678.870</b>	<b>33.184.858</b>	<b>6.228.721</b>

#### 30 FINANCE EXPENSES

For the six-month periods ended 30 June 2016 and 2015, finance expense of the Group comprised the following:

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Recognized in profit or loss				
Foreign currency exchange loss	4.338.165	(867.630)	54.415.630	25.248.975
Interest expense on borrowings	74.476.925	35.255.057	56.725.019	30.772.671
Letter of guarantee commissions	1.151.454	562.014	1.125.149	599.705
Other	4.234.852	2.099.944	3.620.894	2.018.745
<b>Total</b>	<b>84.201.396</b>	<b>37.049.385</b>	<b>115.886.692</b>	<b>58.640.096</b>

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Recognized in other comprehensive income				
Gain/(losses) from net investment hedges (Note 23)	3.272.809	(14.871.960)	(81.780.249)	(8.955.249)
	<b>3.272.809</b>	<b>(14.871.960)</b>	<b>(81.780.249)</b>	<b>(8.955.249)</b>



## Global Yatırım Holding A.Ş. And its Subsidiaries

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#### 31 EARNINGS/ (LOSS) PER SHARE

For the six-month period ended 30 June 2016 and 2015, basic and diluted earnings per share are calculated by dividing the net profit attributable to owners of the Company by weighted average number of shares outstanding.

	1 January- 30 June 2016	1 April- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2015
Net loss for the period	(45.069.339)	(10.191.580)	(51.645.957)	(23.486.125)
Net loss from continuing operations for the period	(45.069.339)	(10.191.580)	(51.645.957)	(23.486.125)
Weighted average number of shares	193.500.000	193.500.000	204.211.922	204.211.922
Weighted average number of ordinary shares	193.500.000	193.500.000	204.211.922	204.211.922
Number of shares held by the Group (Note 23.1)	(18.017.730)	(18.017.730)	(30.009.653)	(30.009.653)
Weighted average number of shares	175.482.270	175.482.270	174.202.269	174.202.269
Earnings per share with par value of TL 1 (TL full)	(0,2568)	(0,0581)	(0,2965)	(0,1348)
Earnings per share of continuing operations with par value of TL 1 (TL full)	(0,2568)	(0,0581)	(0,2965)	(0,1348)

#### 32 DERIVATIVE FINANCIAL INSTRUMENTS

As at 30 June 2016 and 31 December 2015, the details of the Group's currency swap agreements comprised the following:

	30 June 2016	31 December 2015
Fair value of currency swaps	4.480.793	2.771.205
Commodity derivatives -hedging instruments	3.770.636	-
Forward currency agreement	885.316	-
	<b>9.136.745</b>	<b>2.771.205</b>

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#### 33 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

##### Foreign currency risk

As at 30 June 2016 and 31 December 2015, foreign currency risk exposures of the Group comprised the following:

	30 June 2016				
	TL Equivalent	USD	EURO	GBP	TL
1. Trade Receivables	12.644.629	1.829.013	229.519	-	6.616.728
2.a Monetary Financial Assets	164.379.637	12.695.422	26.048.907	17.203	44.106.489
2.b Non-monetary Financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets (1+2+3)	177.024.266	14.524.435	26.278.425	17.203	50.723.217
5. Trade receivables	-	-	-	-	-
6.a. Monetary Financial Assets	61.912.740	18.968.403	-	-	7.025.770
6.b. Non-monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	61.912.740	18.968.403	-	-	7.025.770
9. Total Assets (4+8)	238.937.006	33.492.838	26.278.425	17.203	57.748.987
10. Trade Payables	33.897.433	3.004.503	2.364.118	1.160	17.623.535
11. Financial Liabilities	179.955.580	48.034.028	12.375.897	-	1.306.993
12.a. Monetary Financial Liabilities	17.162.905	-	-	-	17.162.905
12.b. Non-monetary financial Liabilities	-	-	-	-	-
13. Short-term liabilities (10+11+12)	231.015.918	51.038.531	14.740.015	1.160	36.093.433
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	853.252.027	266.241.768	25.853.709	-	9.220
16.a. Other Monetary Liabilities	2.974.200	-	-	-	2.974.200
16.b. Other Non-monetary Liabilities	-	-	-	-	-
17. Long-term Liabilities (14+15+16)	856.226.227	266.241.768	25.853.709	-	2.983.420
18. Total Liabilities (13+17)	1.087.242.145	317.280.299	40.593.724	1.160	39.076.853
19a. Foreign currency derivative assets	-	-	-	-	-
19b. Foreign currency derivative liabilities	-	-	-	-	-
20. Net Foreign Currency Asset/Liability Position (9-18+19)	(848.305.139)	(283.787.462)	(14.315.299)	16.043	18.672.134
21. Net Foreign Currency Position					
of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)	(848.305.139)	(283.787.462)	(14.315.299)	16.043	18.672.134
22. Fair Value of Derivative Instruments Held for Hedging	723.400.000	250.000.000	-	-	-
23. Derivative Assets Held for Hedging	-	-	-	-	-
24. Derivative Liabilities Held for Hedging	723.400.000	250.000.000	-	-	-
Export	-	-	-	-	-
Import	-	-	-	-	-

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#### 33 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

##### Foreign currency risk (continued)

	31 December 2015				
	TL Equivalent	USD	EURO	GBP	TL
1. Trade Receivables	11.133.420	2.233.187	146.483	-	4.174.742
2.a Monetary Financial Assets	193.640.715	14.157.024	38.250.522	879	30.929.113
2.b Non-monetary Financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
<b>4. Current assets (1+2+3)</b>	<b>204.774.135</b>	<b>16.390.211</b>	<b>38.397.005</b>	<b>879</b>	<b>35.103.855</b>
5. Trade receivables	-	-	-	-	-
6.a. Monetary Financial Assets	70.692.019	21.273.731	-	-	8.836.517
6.b. Non-monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
<b>8. Non-current assets (5+6+7)</b>	<b>70.692.019</b>	<b>21.273.731</b>	<b>-</b>	<b>-</b>	<b>8.836.517</b>
<b>9. Total Assets (4+8)</b>	<b>275.466.154</b>	<b>37.663.942</b>	<b>38.397.005</b>	<b>879</b>	<b>43.940.372</b>
10. Trade Payables	31.465.176	1.275.808	3.289.800	-	17.301.969
11. Financial Liabilities	135.049.288	35.213.542	10.212.592	-	154.777
12.a. Monetary Financial Liabilities	33.194.620	48.975	33.167	27.527	32.828.441
12.b. Non-monetary financial Liabilities	-	-	-	-	-
<b>13. Short-term liabilities (10+11+12)</b>	<b>199.709.084</b>	<b>36.538.325</b>	<b>13.535.559</b>	<b>27.527</b>	<b>50.285.187</b>
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	886.376.515	271.195.304	30.791.461	-	6.103
16.a. Other Monetary Liabilities	2.403.548	-	-	-	2.403.548
16.b. Other Non-monetary Liabilities	-	-	-	-	-
<b>17. Long-term Liabilities (14+15+16)</b>	<b>888.780.063</b>	<b>271.195.304</b>	<b>30.791.461</b>	<b>-</b>	<b>2.409.651</b>
<b>18. Total Liabilities (13+17)</b>	<b>1.088.489.147</b>	<b>307.733.629</b>	<b>44.327.020</b>	<b>27.527</b>	<b>52.694.838</b>
<b>19. Off-balance Sheet Foreign Currency Derivative Instruments</b>					
Net Position (19a-19b)	-	-	-	-	-
19a. Foreign Currency Derivative Assets	-	-	-	-	-
19b. Foreign Currency Derivative Liabilities	-	-	-	-	-
<b>20. Net Foreign Currency Asset/Liability Position (9-18+19)</b>	<b>(813.022.993)</b>	<b>(270.069.687)</b>	<b>(5.930.015)</b>	<b>(26.648)</b>	<b>(8.754.466)</b>
21. Net Foreign Currency Position	-	-	-	-	-
of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)	(813.022.993)	(270.069.687)	(5.930.015)	(26.648)	(8.754.466)
<b>22. Fair Value of Derivative Instruments Held for Hedging</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
23. Derivative Assets Held for Hedging	726.900.000	250.000.000	-	-	-
24. Derivative Liabilities Held for Hedging	-	-	-	-	-
Export	726.900.000	250.000.000	-	-	-
Import	-	-	-	-	-

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### 33 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

#### Sensitivity analysis – foreign currency risk

A 10 percent strengthening or depreciation of the Turkish Lira against the following currencies as at 30 June 2016 and 30 June 2015 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.

30 June 2016	PROFIT/LOSS		EQUITY (*)	
	Strengthening of foreign currency	Depreciation of foreign currency	Strengthening of foreign currency	Depreciation of foreign currency
<b>A 10 percent change in USD against Turkish Lira:</b>				
1-Net USD asset/liability	(17.367.853)	17.367.853	-	-
2- Hedged portion against USD risk (-)	-	-	(72.340.000)	72.340.000
3- Net effect of USD (1+2)	(17.367.853)	17.367.853	(72.340.000)	72.340.000
<b>A 10 percent change in Euro against Turkish Lira:</b>				
4- Net Euro asset/liability	(4.522.919)	4.522.919	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
6- Net effect of Euro (4+5)	(4.522.919)	4.522.919	-	-
<b>A 10 percent change in other currencies against Turkish Lira:</b>				
7- Net other currencies asset/liability	6.207	(6.207)	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
9- Net effect of other currencies (7+8)	6.207	(6.207)	-	-
<b>TOTAL (3+6+9)</b>	<b>(21.884.565)</b>	<b>21.884.565</b>	<b>(72.340.000)</b>	<b>72.340.000</b>

(\*) Profit or loss excluded.

## Global Yatırım Holding A.Ş. And its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

### 33 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

(continued)

Sensitivity analysis – Foreign currency risk (continued)

30 June 2015	PROFIT/LOSS		EQUITY (*)	
	Strengthening of foreign currency	Depreciation of foreign currency	Strengthening of foreign currency	Depreciation of foreign currency
<b>A 10 percent change in USD against Turkish Lira:</b>				
1- Net USD asset/liability	(5.999.179)	5.999.179	-	-
2- Hedged portion against USD risk (-)	-	-	(36.588.463)	36.588.463
<b>3- Net effect of USD (1+2)</b>	<b>(5.999.179)</b>	<b>5.999.179</b>	<b>(36.588.463)</b>	<b>36.588.463</b>
<b>A 10 percent change in Euro against Turkish Lira:</b>				
4- Net Euro asset/liability	(5.420.229)	5.420.229	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
<b>6- Net effect of Euro (4+5)</b>	<b>(5.420.229)</b>	<b>5.420.229</b>	<b>-</b>	<b>-</b>
<b>A 10 percent change in other currencies against Turkish Lira:</b>				
7- Net other currencies asset/liability	8.049	(8.049)	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
<b>9- Net effect of other currencies (7+8)</b>	<b>8.049</b>	<b>(8.049)</b>	<b>-</b>	<b>-</b>
<b>TOTAL (3+6+9)</b>	<b>(11.411.359)</b>	<b>11.411.359</b>	<b>(36.588.463)</b>	<b>36.588.463</b>

(\*) Profit or loss excluded.

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

#### 34 TAX ASSETS AND LIABILITIES

##### Tax expenses:

For the six-month periods ended 30 June 2016 and 30 June 2015, the detail of tax income/(expense) comprised the following :

	<u>2016</u>	<u>2015</u>
Current tax charge	(4.196.186)	(5.638.871)
Deferred tax benefit	26.336.067	29.969.959
<b>Total</b>	<b><u>22.139.881</u></b>	<b><u>24.331.088</u></b>

Tax reconciliation for the six-month periods ended 30 June 2016 and 30 June 2015 is as follows:

	<u>%</u>	<u>2016</u>	<u>%</u>	<u>2015</u>
Profit/(loss) before income tax		(67.514.743)		(76.626.556)
Corporate tax using domestic rate	20,00	13.502.949	20,00	15.325.311
Disallowable expenses	(1,61)	(1.084.801)	(4,28)	(3.277.655)
Effect of unrecognized deferred tax losses	(1,51)	(1.022.160)	(2,95)	(2.261.859)
Effect of tax exemption on maritime operations	2,07	1.397.660	2,50	1.914.552
Other	13,84	9.346.233	16,48	12.630.739
		<b><u>22.139.881</u></b>		<b><u>24.331.088</u></b>

As at 30 June 2016 and 31 December 2015, the deferred tax assets and liabilities reflected to the consolidated financial statements are as follows :

	<u>30 June 2016</u>	<u>31 December 2015</u>
Deferred tax assets	95.674.012	81.901.326
Deferred tax liabilities	(336.866.002)	(350.097.753)
<b>Total</b>	<b><u>(241.191.990)</u></b>	<b><u>(268.196.427)</u></b>

For the six-month periods ended 30 June 2016 and 30 June 2015, the movement of deferred tax assets and liabilities is as follows :

	<u>2016</u>	<u>2015</u>
Balance at the beginning of the period	(268.196.427)	(213.760.290)
Deferred tax income	26.336.067	29.969.959
Currency translation differences	339.516	(16.772.223)
Recognized in equity	-	(172.998)
	<b><u>(241.520.844)</u></b>	<b><u>(200.735.552)</u></b>

## Global Yatırım Holding A.Ş. And its Subsidiaries

### Notes to the Condensed Consolidated Interim Financial Statements for the Six-Month Period Ended 30 June 2016

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

#### 35 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As at 30 June 2016 and 31 December 2015, the detail of assets held for sale is as below:

	<u>30 June 2016</u>	<u>31 December 2015</u>
Real Estates	862.751	862.751
	<u>862.751</u>	<u>862.751</u>

#### Real estates

The Group's real estates held for sale 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 is owned by Global Yatırım Holding A.Ş.

#### 36 EVENTS AFTER THE REPORTING PERIOD

- (i) According to the demerger decision taken by BOD meeting, numbered 905, held on 29 June 2016, in accordance with Turkish Commercial Code no 6102, Capital Market Board Code no 6362 and the CMB regulations, the Company applied to the CMB on 1 July 2016 for approval to form a company through a demerger.
- (ii) Pursuant to Resolution of GIH's General Assembly which was held on 23 June 2016, the first dividend distributed on 10 August 2016.
- (iii) Regarding to the international tender by the APV Investimenti S.p.A (owned by Venice Port Authority) of Italy, for the transfer of its 65,98% stake in APVS, which in turn owns a 53% stake in Venezia Terminal Passegeri S.p.A (VTP);

As a result of this transfer, the Consortium which Global Liman is a member of, became a 44,48% shareholder of VTP indirectly, including the previously acquired Finpax shares. Total purchase price for the acquisition to be paid by Global Liman, which is one of the four equal members of consortium, is Euro 7.665.760,47. Mr. Mehmet Kutman, the Chairman of Global Liman, will take seat at VTP's Board of Directors as a board member.

Additionally, VS, the 51% shareholder of APVS, has a put option to sell its shares in APVS partially or completely (up to 51%); while this option can be exercised between 15th May 2017 and 15th November 2018. If VS exercises the put option completely, VI will own 99% of APVS and accordingly 71,51% of VTP. In the case VS decides to exercise this option, it will be announced publicly.

Regarding this option, like other members of the consortium, Global Liman has also provided a Bank Letter of Guarantee in the amount of Euro 4.873.715,52.

Aside from the acquisition process of Venice Cruise Port, Global Liman has started negotiations on the share purchase of operating companies of Brindisi, Cagliari, Catania and Ravenna Cruise Ports in Italy.