

Legal Disclosures

Information on the Extraordinary General Assembly Meeting during the Reporting Period, If Applicable

During 2013, an Extraordinary General Assembly meeting was convened on 25 March 2013. The decisions passed in the Annual General Assembly meeting held on 15 May 2013 have been enforced.

Affiliated Companies Report

The conclusion part of the report that is prepared by the Company's Board of Directors and that discloses our relations with the controlling company and affiliated companies pursuant to Article 199 of the Turkish Commercial Code is quoted below.

Pursuant to Article 199 of the Turkish Commercial Code no. 6102 that went into force on 01 July 2013, the Company's Board of Directors is obliged to issue a report on the Company's relations with the controlling company and the companies affiliated to the controlling company during the past operating year within the first three months of the current operating year, and to incorporate the conclusion part of the said report in its annual report.

Necessary disclosures on the transactions our company carried out with the associated parties are covered in the present report. In this report, the Company's Board of Directors concluded that in all transactions the Company carried out during 2013 with its controlling company or with its affiliates, an appropriate counter-performance was provided in each transaction according to the conditions and state known to us at the time the transaction and/or the action was realized/taken or avoided; that there were no actions taken or avoided which might potentially cause loss to the Company, and that there are no transactions or actions that would require equalization within this scope.

Donations and Grants

The Company may, from time to time, make donations and grants to foundations, associations, universities and similar institutions, which are founded with social motives, subject to the principles set out by the Capital Markets Board.

During 2013, the Company's donations and grants to various organizations and institutions amounted to TL 54,595.

Lawsuits Filed Against the Company with a Potential Impact on the Company's Financial Standing and Activities and Possible Results

The related disclosure is presented in note 26 to financial statements for the period 01 January 2013 - 31 December 2013.

Disclosure of Administrative or Judicial Sanctions Against the Company or the Members of the Governing Body on Account of Practices Violating the Provisions of Legislation

There are no administrative or judicial sanctions imposed against the Company or the members of the governing body on account of any practice violating the provisions of legislation.

Changes in the Articles of Incorporation during the Reporting Period

It has been approved to amend "Article 17 - General Assembly" of the Company's articles of incorporation by the T.R. Prime Ministry Capital Markets Board letter no. 2055 dated 04 March 2012, and T.R. Ministry of Customs and Trade General Directorate of Domestic Trade preliminary permission no. 1529 dated 06 March 2012; the same has been laid down for the approval of shareholders, and unanimously approved and ratified, at the extraordinary general assembly meeting held on 25 March 2013.

Based on the T.R. Prime Ministry Capital Markets Board permission no. 29833736-110.03.02-1434-4721 dated 03 May 2013 and the T.R. Ministry of Customs and Trade General Directorate of Domestic Trade permission no. 67300147/431.02.18683-561642-5025-3669 dated 07 May 2013, it has been agreed at the Annual General Assembly meeting convened on 15 May 2013 to amend "Article 2 -Company Name", "Article 3 - Purpose and Scope", "Article 4 - The Headquarters and Branches of the Company", "Article 5 - Duration", "Article 6 - Registered Capital", "Article 8 - Bonus Shares", "Article 9 - The Board of Directors", "Article 10 - The Term of the Board of Directors", "Article 11 - Meetings of the Board of Directors", "Article 12 -Representation of the Company and Management", "Article 13 - The Division of Duties among the Members of the Board of Directors", "Article 14 - Remuneration of the Board of Directors", "Article 15 - Auditors", "Article 18 - The Place of Meeting", "Article 19 - The Attendance of Observer of Government to the Meeting", "Article 20 - The Meeting Quorum", "Article 21 - Votes", "Article 22 - Appointment of a Representative", "Article 23 - Announcements", "Article 25 - Accounting Period", "Article 26 - Annual Reports and Balance Sheet", "Article 27 -Distribution of Profit", "Article 28 - Dividend Distribution Timing", "Article 30 - Dissolution and Liquidation of the Company", "Article 31 - Jurisdiction in the Settlement of Disputes", "Article 32 - General Provisions", "Article 33 - Issuing Debentures and Commercial Papers" and to annul "Article 16 - The Missions of Auditors", and "Article 24 - The Amendment on the Articles of Incorporation" of the Company's articles of incorporation.

Financial Rights Provided to the Members of the Board of Directors and Senior Executives

Financial rights provided to the chairperson, members of the Board of Directors and Senior Executives are determined within the frame of the Remuneration Policy posted on our website. Financial rights provided to the chairperson, members of the Board of Directors and Senior Executives in the twelve months that ended on 31 December 2013 are determined within the frame of the Remuneration Policy posted on our website. In the twelve months that ended on 31 December 2013, remunerations and similar payments made to the members of the Board of Directors and senior executives amounted to TL 774,508.

Disclosures Concerning Special Audit and Public Audit Conducted During the Fiscal Year

During 2013, regular audits have been performed by various public agencies, after which no material notices have been served on our party.

The Company's Shareholders' Equity

The shareholders' equity worth TL 72,932,744 as at 31 December 2013 indicates that the issued capital of TL 12,733,000 has been very well maintained.