TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS AT 31 DECEMBER 2009 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.

1. We have audited the accompanying financial statements of TSKB Gayrimenkul Yatırım Ortaklığı A.Ş. ("the Company") which comprise the balance sheet as of 31 December 2009 and comprehensive income statement, statements of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards issued by the CMB. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

4. In our opinion, the accompanying financial statements give a true and fair view of the financial position of TSKB Gayrimenkul Yatırım Ortaklığı A.Ş. as of 31 December 2009, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting standards issued by the Capital Markets Board (See Note 2).

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

Z. Alper Önder, SMMM
Partner

Istanbul, 29 January 2010

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TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED BALANCE SHEET AT 31 DECEMBER 2009 ORIGINALLY ISSUED IN TURKISH

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Current Period 31 December 2009	Prior Period 31 December 2008
ASSETS			
Current assets		**7.688.225**	**34.082.693**
Cash and cash equivalents	4	3.744.835	23.845.013
Financial investments			
- Trading securities	5	-	489.300
Trade receivables	7	840.794	7.584
Other current assets	12	3.102.596	9.740.796
Non-current assets		**290.663.216**	**152.327.395**
Investment property	8	278.975.800	75.580.000
Property and equipment	9	25.429	76.728.923
Other non-current assets	12	11.661.987	18.472
Total assets		**298.351.441**	**186.410.088**
LIABILITIES AND EQUITY			
Current liabilities		**20.430.874**	**7.113.668**
Financial liabilities			
- Due to related parties	6, 21	12.163.009	2.040.588
- Financial lease obligations	6	-	21.756
Trade payables	7	4.397.393	156.070
Provision for employee benefits	11	8.686	1.934
Other liabilities	12	3.861.786	4.893.320
Non-current liabilities		**113.787.844**	**70.509.719**
Financial liabilities			
- Due to related parties	6, 21	113.699.428	70.508.220
- Financial lease obligations	6	304	289
Provision for employee benefits	11	8.602	1.210
Other liabilities	12	79.510	-
Equity		**164.132.723**	**108.786.701**
Share capital	13	100.000.000	100.000.000
Restricted reserves	13	152.670	43.301
Retained earnings	13	8.634.031	5.680.434
Net income for the period		55.346.022	3.062.966
Total liabilities and equity		**298.351.441**	**186.410.088**
Contingent assets and liabilities	**10**		

The accompanying explanations and notes form an integral part of these financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED COMPREHENSIVE INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009 ORIGINALLY ISSUED IN TURKISH

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Notes	Current Period 1 January - 31 December 2009	Prior Period 1 January - 31 December 2008
CONTINUED OPERATIONS:			
OPERATING INCOME			
Sales (net)	14	4.723.321	6.047.902
Cost of sales (-)	14	(694.651)	(1.848.740)
Gross profit		**4.028.670**	**4.199.162**
General administrative expenses (-)	15	(1.749.342)	(1.163.101)
Marketing, selling and distribution expenses (-)	15	(899.286)	(136.876)
Other operating income	16	52.632.236	6.253.358
Other operating expenses (-)	16	(41.573)	(114.380)
Operating profit		**53.970.705**	**9.038.163**
Financial income	17	1.676.424	802.607
Financial expenses (-)	18	(301.107)	(6.777.804)
Continued operations profit before tax		**55.346.022**	**3.062.966**
Continuing operations taxe income/expenses	19	-	-
Continued operations net profit for the period		**55.346.022**	**3.062.966**
Other comprehensive income		-	-
Total comprehensive income		**55.346.022**	**3.062.966**
Earnings per share	**20**	**0,5535**	**0,0397**

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009 ORIGINALLY ISSUED IN TURKISH

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Share capital	Restricted reserves	Retained earnings	Net profit for the period	Total equity
1 January 2008		**75.000.000**	**32.196**	**1.665.347**	**4.026.192**	**80.723.735**
Capital increase	13	25.000.000	-	-	-	25.000.000
Transfers from retained earnings	13	-	11.105	4.015.087	(4.026.192)	-
Net profit for the period	13	-	-	-	3.062.966	3.062.966
31 December 2008		**100.000.000**	**43.301**	**5.680.434**	**3.062.966**	**108.786.701**
1 January 2009		**100.000.000**	**43.301**	**5.680.434**	**3.062.966**	**108.786.701**
Transfers from retained earnings	13	-	109.369	2.953.597	(3.062.966)	-
Net profit for the period	13	-	-	-	55.346.022	55.346.022
31 December 2009		**100.000.000**	**152.670**	**8.634.031**	**55.346.022**	**164.132.723**

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED STATEMENT OF CASH FLOWS AT 31 DECEMBER 2009 ORIGINALLY ISSUED IN TURKISH

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Current Period 1 January - 31 December 2009	Prior Period 1 January - 31 December 2008
Cash flows from operating activities			
Net profit for the period		**55.346.022**	**3.062.966**
Adjustments to reconcile net income to net cash from operating activities:			
Net gain from fair value adjustment on investment property	8	(52.048.945)	(6.253.358)
Foreign exchange (gains)/losses, net	17, 18	(825.299)	6.777.804
Interest income, net	17	(542.898)	(802.607)
Interest received		250.597	770.247
Depreciation	9	14.308	11.588
Provision for employment termination benefits	11	7.392	(2.515)
Provision for unused vacation	11	8.686	1.934
Net cash before changes in assets and liabilities:		**2.209.863**	**3.566.059**
Changes in working capital		**(2.061.860)**	**(12.192.654)**
Change in marketable securities		489.300	2.959.567
Change in trade receivables		(833.210)	(6.433)
Change in other current/non-current assets		(5.005.315)	(9.219.274)
Change in other liabilities		(953.958)	2.686.538
Change in trade payables		4.241.323	(8.613.052)
Net cash from/(used in) operating activities		**148.003**	**(8.626.595)**
Additions to property and equipment	9	(35.182)	(33.004.597)
Disposals of property and equipment	9	-	1.603.112
Disposal of investment property	8	2.514.080	-
Increase in investment property	8	(77.136.567)	(81.642)
Net cash used in investing activities		**(74.657.669)**	**(31.483.127)**
Change in financial liabilities	6	54.431.229	35.404.915
Change in financail leasing obligations	6	(21.741)	(116.019)
Capital increase	13	-	25.000.000
Net cash from financing activities		**54.409.488**	**60.288.896**
Net (decrease)/increase in cash and cash equivalents		**(20.100.178)**	**20.179.174**
Cash and cash equivalents at the beginning of the period		23.845.013	3.665.839
Cash and cash equivalents at the end of the period	**4**	**3.744.835**	**23.845.013**

The accompanying explanations and notes form an integral part of these financial statements.

1 - ORGANISATION AND NATURE OF OPERATIONS

TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.'s ('the Company') main activity is to form property portfolios, improve them and invest in financial instruments related to property capital markets. The Company was established in 3 February 2006.

The number of personnel employed in the Company as of 31 December 2009 is 9 (2008: 8). Headquarter of the Company is registered in Meclisi Mebusan Cad. Molla Bayırı Sok. No:1 34427 Fındıklı - İstanbul, Türkiye.

The Company is a 96% affiliate of Türkiye Sınai Kalkınma Bankası A.Ş. ("TSKB"); it was registered on 3 February 2006. In accordance with the relevant article of the Capital Markets Board ("CMB") Communiqué on the Principles of Real Estate Investment Trusts, which was in force at that date, as real estate investment trusts have to apply to the CMB with the request that the share certificates representing at least 49% of the paid-in capital that will be offered to the public are registered in the time periods changing according to the capital amounts, and as the period expires on 3 February 2007 for the Company, the Company applied to the CMB on 30 January 2007 for the extension of the public offering for one year, considering the risk perceptions regarding the existing and expected market conditions, and received the extension approval on 12 March 2007.

It is stated in the letter sent by CMB to the Company on 17 December 2007, relating to the permission application for the increase of the Company's paid-in capital in 2007 from TL10.000.000 to TL75.000.000, that the deadline for board registry application for the public offering of the Company shares was extended to 3 February 2009 as the capital of the Company was increased to TL75.000.000, in accordance with the CMB decision dated 19 April 2007.

The Company decided that its paid-in capital, which was TL75.000.000, would be increased by TL25.000.000, to TL100.000.000, with the registered capital ceiling of TL100.000.000, and that the increased capital would be paid by the shareholders in proportion to their shares, in its extraordinary general assembly gathering on 24 November 2008. The capital increase was registered on 28 November 2008 and was published in the Turkish Trade Registry Gazette No. 7202, dated 3 December 2008. Again, in accordance with the Communiqué article which was in force at that date, as it is foreseen that the public offering of the real estate investment trusts whose paid in capital is TL100.000.000 or more, is to be made within five years of either the establishment of the investment trust or the related amendment to the articles of association being registered with the Trade Registry, the CMB informed the Company that the deadline for the public offering of the Company shares is 3 February 2011 with the letter dated 10 November 2008.

On the other hand, with the amendment dated 31 December 2009 made by CMB to the Communiqué on the Principles of Real Estate Investment Trusts, the application that a time is granted for trusts which are established instantaneously or which become real estate investment trusts by amendment of articles of association with regards to a public offering, is cancelled and it is made obligatory that the shares of trusts representing a minimum 25% of their capital be issued within three months of the either the establishment of the investment trust or the related amendment to the articles of association being registered with the Trade Registry, are offered to public and that they apply to the Board with the request that all shares be registered. In addition, in the temporary article prepared to clarify the status of the existing real estate investment funds whose shares are not offered to the public, against the amendment in the Communiqué, it is foreseen that partnerships with the status of real estate investment trust by establishment or transformation before the publishing date of the Communiqué amendment, apply to the CMB with the request that minimum 25% of their issued capital be offered to the public. Therefore, concerning the last situation, the deadline for the registration for the public offering of a minimum 25% of company shares is 3 February 2011.

1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

The real estate portfolio of the Company for investment purposes comprises the buildings rented as an office building and a shopping mall. In the following periods, the Company management will revise the activities in two main activities. However, as of 31 December 2009 no reporting was made according to segments as the mentioned shopping mall started its operations on 17 December 2009.

The financial statements for the period ended 31 December 2009 have been approved by and signed for the Board of Directors on 29 January 2010. General Assembly has the power to amend the financial statements.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 BASIS OF PRESENTATION

2.1.1 Accounting Standards

The Capital Markets Board of Turkey ("CMB") regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, "Principles of Financial Reporting in Capital Markets" ("the Communiqué"). This Communiqué is effective for the annual periods starting from 1 January 2008 and supersedes the Communiqué No: XI-25, "The Financial Reporting Standards in the Capital Markets". According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards ("IAS/IFRS") endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") issued by the TASB which are in line with the aforementioned standards shall be considered.

As the differences of the IAS/IFRS endorsed by the European Union from the ones issued by the IASB have not been announced by TASB as of the date of preparation of these financial statements, the financial statements have been prepared within the framework of Communiqué XI, No: 29 and related promulgations to this Communiqué as issued by the CMB in accordance with the accounting and reporting principles accepted by the CMB ("CMB Financial Reporting Standards") which are based on IAS/IFRS. The financial statements and the related notes to them are presented in accordance with the formats required by the CMB, with the announcement dated 17 April 2008, including the compulsory disclosures.

These financial statements, except for financial assets and liabilities expressed at fair values, are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected within the framework of Communiqué XI, No: 29 "Financial Reporting Standards in the Capital Markets" and in TL.

In accordance with the Article 1 of the Law numbered 5083 concerning the "Currency of the Republic of Turkey" and according to the Decision of The Council of Ministers dated April 4, 2007 and No: 2007/11963, the prefix "New" used in the New Turkish Lira ("YTL") and the New Kuruş ("YKr") will be removed as of January 1, 2009. When the prior currency, YTL and YKr, values are converted into TL and Kr, one YTL (YTL1) and one YKr (YKr1) shall be equivalent to one TL (TL1) and one Kr (Kr1).

All references made to New Turkish Lira or Lira in laws, other legislation, administrative transactions, court decisions, legal transactions, negotiable instruments and other documents that produce legal effects as well as payment and exchange instruments shall be considered to have been made to TL at the conversion rate indicated above. Consequently, effective from 1 January 2009, the TL replaces the YTL as a unit of account in keeping and presenting of books, accounts and financial statements.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.2 Accounting for the effect of hyperinflation

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards, the application of inflation accounting is no longer required. Accordingly, IAS 29, "Financial Reporting in Hyperinflationary Economies", issued by the IASB, has not been applied in the financial statements for the accounting periods starting 1 January 2005.

2.1.3 Offsetting

Financial assets and liabilities are offset and the net amount reported in the financial statements when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.1.4 Going-concern

The Company prepared its financial statements according to going-concern principle.

2.2 CHANGES IN ACCOUNTING POLICIES

Significant changes in accounting policies or material errors are corrected, retrospectively; by restating the prior period financial statements. The Company applied the Communiqué XI, No: 29 regulated by CMB effective from 1 January 2008. Within this scope, the comparative financial figures are reclassified and presented. The application of the Communiqué XI, No: 29 caused no significant change in the accounting policies of the Company.

2.2.1 Comparative Figures and the Reclassification to the Financial Statements of the Prior Period

The Company complies with the principles and articles of valid commercial laws and regulations and Communiqués announced by CMB in the accounting records and the preparation of the financial statements.

In order to determine the financial status and performance trends, the financial statements of the Company have been prepared in comparison with the financial statements of previous periods. The Company prepared its balance sheet as of 31 December 2009 in comparison with the balance sheet prepared as of 31 December 2008; prepared the statement of income, statement of changes in shareholders' equity and cash flow statement between 1 January - 31 December 2009 in comparison with 1 January - 31 December 2008. Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

2.2.2 Adoption of new or revised standards and interpretations

Adoption of New or Revised International Financial Reporting Standards and Interpretations

The Company adopted the standards, amendments and interpretations published by the IASB and International Financial Reporting Interpretation Committee ("IFRIC") and which are mandatory for the accounting periods beginning on or after 1 January 2009.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

New and revised standards adopted by the Company beginning on 2009:

- IFRS 7 'Financial instruments – Disclosures' Amendment, the amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on retained earnings.

- IAS 1, 'Presentation of financial statements' Amendment, the revised standard prohibits the presentation of items of income and expenses in the statement of changes in equity, requiring nonowner changes in equity to be presented separately from owner changes in equity in a statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. As the change in accounting policy only impacts presentation aspects, there is no impact on reatined earnings

- IFRS 2, 'Share-based payment' revised, deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with emloyees and others providing similiar services; they would not impact the number of awards expected to vest or valuation there of subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment.

- IAS 23, 'Borrowing costs', It requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset which has been capitialised begining from 1 January 2009 and later dates, as part of the cost of that asset. Since the Company has capitialised borrowing costs directly attributable to the acquisition, construction or production of its qualifying assets in previous periods, changes in this standard has no effect on the Company's financial statements.

- IAS 40, 'Investment Property' property that is under construction or development for future use as investment property is brought within the scope of IAS 40. Where the fair value model is applied, such property is measured at fair value. However, where fair value of investment property under construction is not reliably determinable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable.

The Company's management does not foresee any material impact of adoption of the aforementioned standards and interpretations on the financial statements of the Company in the upcoming periods except for IAS 40.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Standards, amendments and interpretations to existing standards that are not mandatory and not early adopted by the Company:

- IFRIC17 'Distributions of Non-cash Assets to Owners';
- IAS 27 (Amendment), 'Consolidated and Separate Financial Statements';
- IFRS 3 (Amendment), 'Business Combinations';
- IAS 38 (Amendment), 'Intangible Assets';
- IFRIC 5 (Amendment), 'Non-current Assets Held for Sale and Discontinued Operations';
- IAS 1 (Amendment), 'Presentation of Financial Statements'; and
- IFRS 2 (Amendment), 'Share based Payments'.

The Company's management does not foresee any material impact of adoption of the aforementioned standards and interpretations on the financial statements of the Company in the upcoming periods.

2.3 RESTATEMENT AND THE ERRORS IN THE ACCOUNTING ESTIMATES

The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods. The accounting estimates are not changed for the period of 1 January - 31 December 2009.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below:

Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits and liquid assets, those maturity is less than three months at the time of purchase (Note 4).

Related parties

For the purpose of these financial statements, the shareholders of the Company and Türkiye Sınaî Kalkınma Bankası A.Ş. group companies that have indirect capital relationship with the Company, Board members, key management personnel and, in each case together with companies controlled by or affiliated with them are considered and referred to as related parties. Certain transactions occurred with related parties during the period in accordance with the market conditions. These transactions occurred based on the market prices and trading conditions (Note 21).

Trading securities

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or a dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit making exists.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Trading securities have been recorded initially at fair value in purchasing date and also including the other expenses of acquisition costs. Trading securities are subsequently re-measured at fair value. In assessing the fair value of the trading securities, the best bid price as of the balance sheet date is used. Gains and losses arising from changes in the fair value of trading securities are disclosed in income statement. All related realized and unrealized gains and losses, dividends received and interest earned whilst holding trading securities is reported as "Financial income" or "Financial expenses".

All regular way purchases and sales of trading securities are recognized at the settlement date, which is the date that the asset is delivered to/from the Company.

Reverse repo receivables

Securities purchased under agreements to resell ("reverse repos") are recorded as reverse repo receivables on the cash and due from banks account, together with the difference between the sale and repurchase price, which is accrued evenly over the life of the agreement using the effective yield method (Note 4).

Interest income and expense

Interest income and expenses are recognized in the income statement on an accrual basis. Interest income includes coupons earned on fixed income investment securities, amortization of discounts on government bonds and interest from time deposit. (Note17).

Interest expenses on borrowings are recognized on an accrual basis with the effective interest method (Note 18).

Foreign exchange transactions

Transactions expressed in foreign currency has been translated to Turkish Lira at the exchange rates prevailing at the dates of the transactions. Balances denominated in foreign currencies have been translated at the exchange rates prevailing at year-end. As of 31 December 2009 USD year-end exchange rate has been used is TL1,5057, Euro year-end exchange rate has been used is TL2,1603 (2008: USD 1: TL1,5123 TL, Euro 1: TL2,1408) (Note 22).

Trade Payables and Receivables

Trade receivables that arise as a result of providing services to the receiver by the Company, are disclosed by offsetting from unaccrued financing income. After the unaccrued financing income, trade receivables are calculated with the discounted amounts of receivables that are recorded with their original invoice value and realized in next periods with the effective interest method. Short term receivables that have no any specified interest rate are disclosed with their cost values when there is no major effect of original effective interest rate.

The Company books a provision for the doubtful receivables when there is an objective evidence of uncollectibility. The correspondent provision amount is the difference between the book value and uncollectible receivable amount. The collectible amount is the discounted portion of trade receivables by effective interest rate including the collectible guarantees and securities.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

In the event of the collections of the doubtful receivables whether the whole amount or the some part of it, after the booking of the provision for the doubtful receivables, the collected amount is deducted from the doubtful receivables provision.

Trade payables are financial liabilities that arise from receiving direct services from sellers. Trade payables and other liabilities are recognized as offset from unaccrued financing expenses. Trade payables and other payables that left from unaccrued financing expenses are calculated by discounting the installments of expenses which are recorded from original invoice value and going to be paid in coming periods using an effective interest rate. Short term liabilities without a specified interest rate are recognized in their cost value if the effect of an original effective interest rate is not very high.

Financial liabilities and borrowing cost

Borrowings are recognized at fair value initially at the proceeds received, including transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset (qualifying assets) are capitalized as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. In such cases interest cost of foreign currency borrowing is added to cost of qualifying asset. Foreign currency exchange gains of foreign currency borrowings are charged to the income statement. If subsequently the foreign currency exchange differences of these borrowings become expense, this expense is charged to income statement until it reaches the amount of the foreign currency exchange gains previously charged to income statement, if there is excess amount it is recorded as the cost of the qualifying asset until it reaches the market TL interest rates, and if there is still an excess amount, it is recorded as expense in income statement.

Tax

The Company is exempt from Corporate Tax in accordance with paragraph 4-d of Article 8 of the Corporate Tax Law. And in accordance with paragraph 6-a of Article 94 of the Income Tax Law, the earnings of the real estate investment trusts are subjected to withholding tax, with Council of Ministers decision No. 93/5148, the withholding rate is determined as "0". Therefore, the Company has no tax obligation due to the earnings of the Company for the related period (Note 19).

Employee benefits

Employee benefits includes provision for unused vacation and employment termination benefits. Employment termination benefits, as required by the Turkish Labor Law, are recognized in these financial statements as they are earned. The total provision represents the present value of the future probable obligation of the Company arising from the retirement of its employees regarding the actuarial projections (Note 11).

Recognition of income and expense

Income and expenses are accounted on an accrual basis.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Property and equipment and related depreciation

All property and equipment are carried at cost less depreciation (Note 12). Depreciation is calculated on property and equipment using the straight-line method over their estimated useful lives as follows:

Furniture and fixtures	5 years
Motor vehicles	5 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and impairments are recognized in the income statement.

Gains and losses on the disposal of property and equipment are determined in reference to their carrying amounts and are taken into account in determining operating profit.

The maintenance and repair expenses of property and equipment are accounted as expense. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits with the item will flow to the company.

Investment property

Buildings and land held to earn rent or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business are classified as investment property and are carried at fair values. The gain or losses resulting from the fair values are recognized in the income statement (Note 8).

The Company’s properties constructed for future use as investment property were shown in property and equipment until year 2009, and under investment property starting from 1 January 2009. When the fair values of the properties cannot be determined reliably, and if the Company can estimate the fair value reliably when the construction is completed, the Company accounts the properties which are constructed to be used as investment properties at their cost values until the fair value is determined reliably or until the construction is completed.

Properties that have been measured before at cost and which are constructed to be used as investment property in the future, are assessed on their fair values when the fair value can be determined reliably. When the construction of these properties is complete, it is considered that the fair value can be measured reliably. When the construction or development of the properties constructed to be used by the Company as investment properties which will be followed based on the fair values, is complete; the difference between the fair value of the property on the completion date and the cost value shown before is classified as profit or loss under “other operating income/expenses”.

Impairment of the assets

The Company determines whether there are any indicators for impairment at every balance sheet date. In the case of an indicator, the recoverable value of that asset is estimated. If the cash generated from the recordable value of the asset is higher than the recoverable value, which represents sales and usage, it is accepted that impairment for that asset exists. The recoverable value is determined by comparing the sales realizable value and usage value and the higher one is chosen. The usage value is the current value, which is estimated cash flows resulting from the operations using that asset and the sales of the asset at the end of its useful life. Impairment loss is not reflected in the income statement. Impairment loss of any asset is reversed if it does not exceed the previous allowance for impairment, if the increase in the recoverable value of that asset can be correlated with an event which occurred in the period when the impairment booking is done.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Revenue recognition

Revenue is recognized when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue is presented after deducting value added and sales taxes. The following criteria are necessary for the recognition of revenue.

Rent income obtained from real estate

Rent income from real estate is recognized on an accrual basis. Income is realized when economic benefits arising from the transaction can be passed to the Company, and when the amount of such income can be reliably measured.

Service and management charges

General expenses of the Company's shopping mall are charged to tenants according to rent agreements on an accrual basis.

Sales of real estate

Income is recognized when the risk and benefit of real estate is transferred to the buyer and when it is possible to measure income reliably.

Interest

In situations where the collection is not doubtful, income is recognized on an accrual basis.

Finance leases - as lessee

Assets acquired under finance lease agreements are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payment. Leased assets are included in the property and equipment and depreciation on the leased asset is charged to income on a straight-line basis over the useful life of the asset. Lease payments are treated as comprising of capital and interest elements; the capital element is treated as reducing the capitalized obligation under the lease, which is classified as the lease obligation, and the interest element is charged to income (Note 6).

Provisions, contingent assets and liabilities

The conditions to recognize a provision in the consolidated financial statements are: that the Company should have a present obligation, legal or constructive, as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and that the amount can be measured reliably.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in the financial statements and treated as contingent assets or liabilities (Note 10).

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Earnings per share

Earnings per share disclosed in these statements of income are determined by dividing net profit by the weighted average number of shares that have been outstanding during the year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period (Note 20).

Reporting of cash flows

Cash flows statement includes cash and cash equivalents, cash with original maturity periods of less than three months, bank deposits and receivables from reverse repo transaction (Note 4).

Subsequent events

Subsequent events cover any events which arise between the reporting date and the balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed. The Company adjusts its financial statements if such subsequent events arise which require an adjustment to the financial statements (Note 24).

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Preparation of financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during financial period. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

The Company used market value approach during the fair value calculation of the properties named Tahir Han, Fındıklı Building 1, Fındıklı Building 2 and Adana land, and income approach during the fair value calculation of Pendorya Shopping Mall, al of which are accounted for under investment property.

3 - SEGMENT REPORTING

The real estate portfolio of the Company for investment purposes comprises the buildings rented as an office building and a shopping centre. In the following periods, the Company management will revise the activities in two main activities. However, as of 31 December 2009 no reporting was made according to segments as the mentioned shopping centre started its operations on 17 December 2009.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

4 - CASH AND CASH EQUIVALENTS

	2009	**2008**
Cash	1.561	392
Banks	304.274	15.141.041
- Demand deposits	304.274	2.721
- Time deposits	-	15.138.320
Reverse repos	3.439.000	8.703.580
	3.744.835	**23.845.013**

Interest rates on reverse repos which have less than one week maturity is 6,50% (As of 31 December 2008, interest rates on reverse repos which have less than one week maturity is 15,02%).

Cash and cash equivalents of the Company disclosed in cash flow statement as of 31 December 2009 is TL3.744.835 (2008: TL23.845.013).

5 - FINANCIAL INVESTMENTS

	2009	**2008**
Trading securities		
Government bonds	-	489.300
	-	**489.300**

Movements in trading securities for the periods ending 31 December 2009 and 2008 are as follows:

	2009	**2008**
Balance at 1 January	489.300	3.416.507
Purchases during the period	-	1.065.050
Valuation increase	-	33.715
Sold/amortized during the period	(489.300)	(4.025.972)
Balance at 31 December	**-**	**489.300**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

6 - FINANCIAL LIABILITIES

Short term parts of long term financial liabilities:

	2009			2008		
	Interest Rate	**Original Currency**	**TL Equivalent**	**Interest Rate**	**Original Currency**	**TL Equivalent**
US Dollar	Libor+4,50	2.614.946	3.937.324	Libor+3,00	764.141	1.155.611
EURO	Euribor+3,75	378.488	817.647	Euribor+3,75	23.154	49.567
EURO	Euribor+5,00	456.054	985.214	Euribor+3,75	186.743	399.778
EURO	Euribor+5,00	575.497	1.243.247	Euribor+3,75	158.410	339.124
EURO	Euribor+5,00	271.461	586.437	Euribor+3,75	45.080	96.508
EURO	Euribor+5,00	245.109	529.509	-	-	-
EURO	Euribor+5,00	217.875	470.675	-	-	-
EURO	Euribor+5,00	313.607	677.485	-	-	-
EURO	Euribor+5,50	307.673	664.667	-	-	-
EURO	Euribor+5,50	252.718	545.946	-	-	-
EURO	Euribor+5,50	355.971	769.004	-	-	-
EURO	Euribor+5,50	295.881	639.192	-	-	-
EURO	Euribor+5,50	137.324	296.662	-	-	-
			12.163.009			**2.040.588**

Long term financial lease obligations:

	2009			2008		
	Interest Rate	**Original Currency**	**TL Equivalent**	**Interest Rate**	**Original Currency**	**TL Equivalent**
US Dollar	Libor+4,50	23.076.924	34.746.924	Libor+3,00	25.000.000	37.807.500
EURO	Euribor+3,75	2.911.111	6.288.873	Euribor+3,75	3.275.000	7.011.120
EURO	Euribor+5,00	3.876.923	8.375.317	Euribor+3,75	4.200.000	8.991.360
EURO	Euribor+5,00	4.892.308	10.568.853	Euribor+3,75	5.300.000	11.346.240
EURO	Euribor+5,00	2.307.692	4.985.307	Euribor+3,75	2.500.000	5.352.000
EURO	Euribor+5,00	2.076.923	4.486.777	-	-	-
EURO	Euribor+5,00	1.846.154	3.988.246	-	-	-
EURO	Euribor+5,00	2.769.231	5.982.370	-	-	-
EURO	Euribor+5,50	3.266.667	7.056.981	-	-	-
EURO	Euribor+5,50	2.800.000	6.048.840	-	-	-
EURO	Euribor+5,50	4.200.000	9.073.260	-	-	-
EURO	Euribor+5,50	3.733.333	8.065.119	-	-	-
EURO	Euribor+5,50	1.866.667	4.032.561	-	-	-
			113.699.428			**70.508.220**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

6 - FINANCIAL LIABILITIES (Continued)

Repayment schedule of undiscounted financial liabilities as of 31 December 2009 and 2008 are as follows (*):

	2009	**2008**
2009	-	3.193.186
2010	16.495.173	9.110.721
2011	24.579.055	13.995.112
2012	23.497.635	14.004.556
2013	22.385.413	13.995.112
2014	21.288.979	13.995.112
2015	20.193.629	13.995.112
2016	19.099.494	14.004.574
2017	5.992.569	1.255.371
2018	814.350	1.255.371
	154.346.297	**98.804.227**

(*) The repayment schedule of the long-term financial liabilities is calculated using the Libor rates on the repayment period and US Dollar and EURO exchange rates prevailing at year-end as of 31 December 2009.

	2009	**2008**
Short term financial lease obligations		
Within 1 year	268	23.008
Future finance charges	(268)	(1.252)
	-	**21.756**

	2009	**2008**
Long term financial lease obligations		
1 to 2 years	1.130	1.136
2 to 5 years	862	862
Future finance charges	(1.688)	(1.709)
	304	**289**

The repayment schedule of undiscounted financial lease obligations is as follows:

	2009	**2008**
2009	-	22.817
2010	1.699	1.625
2011 and later	561	564
	2.260	**25.006**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

7 - TRADE RECEIVABLES AND PAYABLES

Short term trade receivables

	2009	2008
Trade receivables	840.794	7.584
	840.794	**7.584**

Trade receivables do not include doubtful receivables.

Short term trade payables

Trade payables	4.397.393	156.070
	4.397.393	**156.070**

8 - INVESTMENT PROPERTY

Movement schedule of investment property as of 31 December 2009 and 2008 is presented below:

	1 January 2009	Transfers from property and equipment(*)	Additions (**)	Disposals	Fair value change (***)	31 December 2009
Tahir Han	5.415.000	-	-	-	470.000	5.885.000
Fındıklı Building 1	35.515.000	-	-	-	1.420.000	36.935.000
Fındıklı Building 2	34.650.000	-	-	-	2.100.000	36.750.000
Pendorya Shopping Center	-	65.029.787	76.439.120	(2.514.080)	48.815.173	187.770.000
Adana land project development	-	11.694.581	697.447	-	(756.228)	11.635.800
	75.580.000	**76.724.368**	**77.136.567**	**(2.514.080)**	**52.048.945**	**278.975.800**

	1 January 2008	Transfers from property and equipment	Additions	Disposals	Fair value change	31 December 2008
Tahir Han	4.945.000	-	-	-	470.000	5.415.000
Fındıklı Building 1	32.670.000	-	50.908	-	2.794.092	35.515.000
Fındıklı Building 2	31.630.000	-	30.734	-	2.989.266	34.650.000
	69.245.000	**-**	**81.642**	**-**	**6.253.358**	**75.580.000**

(*) The Pendorya Shopping Mall ("Pendorya SM") and Adana project development items are followed under the investment property account instead of property and equipment starting from 1 January 2009. Adana land project development expenses comprise the costs of the ongoing project process.

(**) Concerning the loans amounting to USD25.000.000 and EUR36.250.000, received from Türkiye Sınai Kalkınma Bankası A.Ş. ("TSKB") for the Pendorya SM project, the accrued and paid interest relating to these loans amounting to TL6.932.210 and the exchange difference of TL587.475 for Pendorya SM project between 1 January– 16 December 2009 have been capitalized under the costs of the project. The interest and exchange difference which are capitalized as the costs of Pendik project as of 16 December 2009, amount to TL10.507.184 and TL6.309.568, respectively.

8 - INVESTMENT PROPERTY (Continued)

Concerning the loan received from Türkiye İş Bankası A.Ş., amounting to EUR3.275.000 for the development of the Adana land project, the accrued and paid interest between 1 January - 31 December 2009 amounting to TL579.803 and the exchange difference amounting to TL63.683 have been capitalized under the development costs of these projects. The interest and exchange difference which are capitalized as the costs of Adana land project as of 31 December 2009, amount to TL1.116.065 and TL589.397, respectively.

(***) The gains or losses arising from the difference in the fair value of the investment properties, are included in the income statement of the period when they arise. The fair values of the investment properties owned by the Company are determined in accordance with the expertise reports prepared by licensed real estate valuation companies. The fair value difference of the investment properties in the year ended 31 December 2009, amounting to TL52.048.945, has been classified in the other operating income (Note 16).

Fındıklı Building 1

Fındıklı Building 1 is registered in Beyoğlu, Mebusan Street, map 85, plot 19, parcel 110. The parcel has a right for an area of 1,695.50 square meters and a subway of 89,39 square meters.

The investment property was purchased from Türkiye Sınaî Kalkınma Bankası A.Ş. ("TSKB") at TL32.858.918 on 27 December 2007. TL465.000, paid by the Company to the public institutions for the transfer of the investment property, has been classified under the cost of the investment property. According to the report dated 28 December 2009 prepared by Elit Ekspertiz ve Değerleme A.Ş., which is included in the list to provide valuation service by the CMB, the fair value of Fındıklı Building 1, determined according to the market value approach, is determined as TL36.935.000.

In accordance with the decision taken in the board of directors meeting, performed on 28 December 2007, the Company rented this property to TSKB and the affiliates of TSKB. The Company acquires a monthly rental income of TL146.264 from this property (2008: TL134.052). There is no restriction on the investment property.

Fındıklı Building 2

Fındıklı Building 2 is registered in Beyoğlu, Mebusan Street, map 84, plot 1486, parcel 76. The parcel has an easement right for an area of 2,503.18 square meters and subway of 89.39 square meters.

The investment property was purchased from TSKB at TL31.140.783 on 27 December 2007. TL463.200 paid by the Company to public institutions for the transfer of the investment property was classified in the cost of the investment property. According to the report dated 28 December 2009 prepared by Elit Ekspertiz ve Değerleme A.Ş., which is included in the list to provide valuation service by the CMB, the fair value of Fındıklı Building 2, determined according to the market value approach, is determined as TL36.750.000.

In accordance with the decision taken in the board of directors meeting, performed on 28 December 2007, the Company rented this property to TSKB and the affiliates of TSKB. The Company acquires a monthly rental income of TL215.976 from this property (2008: TL197.944). There is no restriction on the investment property.

8 - INVESTMENT PROPERTY (Continued)

Tahir Han:

Tahir Han is registered in Beyoğlu, Kemankeş Street, Murakıp District, map 121, plot 77, parcel 57. The parcel has an area of 606.62 square meters. The building area is calculated as 3,300 square meters according to the measurements made.

The value of the investment property was determined as TL2.591.110 for 106/144 shares according to the report dated 7 November 2005 prepared by the experts assigned by the Commercial Court, and this amount was transferred by TSKB to the Company as capital in kind on 6 March 2006. TL38.880, paid by the Company to public institutions for the transfer of the investment property, has been classified in the cost of the investment property. According to the report dated 28 December 2009 prepared by Elit Ekspertiz ve Değerleme A.Ş., which is included in the list to provide valuation service by the CMB, the fair value of Tahir Han, determined according to the market value approach, is determined as TL5.885.000. Rental income of TL58.434 was acquired for Tahir Han in 2009 (2008: TL63.949). There is no restriction on the investment property.

Pendorya SM:

Pendorya SM is registered in Pendik, Doğu District, plot 105, map 865, parcel 64. The parcel has an area of 23,182.96 square meters. In Pendorya SM, whose leasable area is 30,275 square meters, there are 106 stores spread over eight floors.

Pendorya SM was shown at its cost value in the property and equipment until 1 January 2009. As Pendorya SM was constructed to be used as an investment property in the future, it was transferred to the investment property account at cost value on 1 January 2009. Pendorya SM was opened on 17 December 2009 following the completion of construction and it was accounted for in the financial statements with the fair value as of 31 December 2009. The value increase of TL48.815.173, arising from the difference between the cost and fair value at 31 December 2009 was classified under other operating income (Note 16). According to the report dated 28 December 2009 prepared by Elit Ekspertiz ve Değerleme A.Ş., which is included in the list to provide valuation service by the CMB, the fair value assessed for 95% shares of the Company, was determined as TL187.770.000 according to income approach. In the valuation made with cost method, the fair value was found by adding the land value and the value of construction investments, as TL113.155.000. Income approach refers to the long-term projection of the after tax cash flows to be generated by the property in the following years over the sum of their current value. The future cash flows were calculated using the assumptions taken into consideration as a result of the store rental agreements and meetings made with the Company by Elit Ekspertiz ve Değerleme A.Ş. The cash inflows from projections are discounted to present value with a discount rate suitable with the risk level of the economy, sector and investment and its financial value as of 31 December 2009 is calculated together with the land of the shopping mall.

There is a mortgage of USD82.500.000 and EUR25.500.000 on the Pendik land owned by the Company due to the loans received from TSKB (Note 10).

76% of the rentable area of Pendorya SM, which was opened on 17 December 2009, was rented as of 31 December 2009. Net rental income of TL243.591 (2008: None) was acquired for Pendorya SM in 2009 (Note 14).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

8 - INVESTMENT PROPERTY (Continued)

Adana land project development:

The Adana land is registered in Adana province, Seyhan Town, Çınarlı District, map 1653, plot 143. The parcel has an area of 3,608 square meters.

The Adana land was purchased at TL9.863.151 on 06 November 2007. According to the report dated 25 December 2009 prepared by Tadem Taşınmaz Değerleme Müşavirlik A.Ş., which is included in the list to provide valuation service by the CMB, the fair value of the Adana land, determined according to the market value approach, is determined as TL11.635.800, and the land was disclosed in financial statements at this value.

There are mortgage on the Adana land amounting to USD 15.000.000 due to the loan received from Türkiye İş Bankası A.Ş. (Note 10).

The shareholding structure of the land purchased in the scope of the project development processes which continue in the Adana region, is 50%-50%.

9 - PROPERTY AND EQUIPMENT

	1 January 2009	Additions	Disposal	Transfers (1)	31 December 2009
Cost					
Furniture and fixtures	26.746	2.780	-	-	29.526
Motor vehicles	-	32.402	-	-	32.402
Pendorya Shopping Center	65.029.787	-	-	(65.029.787)	-
Adana land project development	11.694.581	-	-	(11.694.581)	-
	76.751.114	**35.182**	**-**	**(76.724.368)**	**61.928**
Accumulated deprecation					
Furniture and fixtures	22.191	4.833	-	-	27.024
Motor vehicles	-	9.475	-	-	9.475
	22.191	**14.308**	**-**	**-**	**36.499**
Net book value	**76.728.923**				**25.429**

(1) The related transfers were made as the Pendorya SM and Adana land project development costs were followed in investment properties as from 1 January 2009 (Note 8).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

9 - PROPERTY AND EQUIPMENT (Continued)

	1 January 2008	Additions (1)	Disposals (2)	Transfers (3)	31 December 2008
Cost					
Furniture and fixtures	17.637	9.109	-	-	26.746
Pendorya SM project (*)	35.468.841	30.886.380	(1.603.112)	277.678	65.029.787
Adana land project development (*)	9.863.151	1.800.314	-	31.116	11.694.581
	45.349.629	**32.695.803**	**(1.603.112)**	**308.794**	**76.751.114**
Accumulated deprecation					
Furniture and fixtures	10.603	11.588	-	-	22.191
	10.603	**11.588**	**-**	**-**	**22.191**
Net book value	**45.339.026**				**76.728.923**

(*) Pendorya SM project covers the investment expenses relating to the shopping mall investment which is made in accordance with the received legal permissions. The Adana land project development expenses comprise the costs relating to the ongoing project studies.

(1) Concerning the loans received from TSKB for the Pendorya SM project, amounting to USD 25.000.000 and EUR 12.000.000, the interest of TL3.574.974 and exchange difference of TL5.722.093, accrued and paid as of 31 December 2008, were classified under the costs of the project. Concerning the loan received from Türkiye İş Bankası A.Ş., amounting to EUR 3.275.000 for the purpose of developing Adana land project, the interest of TL536.262 and exchange difference of TL525.714, accrued and paid as of 31 December 2008, were classified under the project development costs.

(2) 5% of Pendorya SM project was sold on 27 September 2008. The sales profit of TL396.888 was classified under operating income (Note 14).

(3) The transfer amounting to TL308.794, is related to the tangible asset advances given for Pendorya SM project and Adana project development..

10 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

	2009	2008
Commitments received		
Letters of guarantees received	7.107.073	15.365.875
	7.107.073	**15.365.875**

Commitments received are consist of letters of guarantees of banks received from contractor suppliers for Pendora AVM project development and from tenants for shopping mall.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

10 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

	2009	**2008**
Mortgages		
Mortgages given	201.893.400	147.449.250
	201.893.400	**147.449.250**

Due to the loans used from TSKB, there is a mortgage amounting to USD 82.500.000 and EUR 25.500.000 on Pendik land owned by the Company. In addition, due to loans used from Türkiye İş Bankası A.Ş, there is a mortgage amounting to USD 15.000.000 on the Adana land.

11 - PROVISION FOR EMPLOYEE BENEFITS

	2009	**2008**
Short term provisions		
Provision for unused vacation	8.686	1.934
	8.686	**1.934**
Long term provisions		
Provision for employment termination benefits	8.602	1.210
	8.602	**1.210**

The provision for employment termination benefits is reserved in line with the explanations below:

Under the Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement.

The amount payable consists of one month's salary limited to a maximum of TL2.365,16 (31 December 2008: TL2.173,18) for each period of service at 31 December 2009

Termination benefits are not legally bound to any form of funding and have no funding requirements.

The liability is not funded, as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation arising from the retirement of employees.

IFRS requires actuarial valuation methods to be developed to estimate the provision for employment termination benefits. Accordingly the following actuarial assumptions were used in the calculation of the total liability:

	2009	**2008**
Discount rate (%)	5,92	6,26
Turnover rate to estimate the probability of retirement (%)	5	-

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

11 - PROVISION FOR EMPLOYEE BENEFITS (Continued)

Additionally, the principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore the maximum amount of employment termination benefits of the Company is determined every six months and is calculated using the maximum amount of TL2.423,88 valid from 1 January 2010 (1 January 2009: TL2.260,04).

Movements in the reserve for employment termination benefits during the current year are as follows:

	2009	**2008**
1 January	1.210	3.725
Service cost	88	307
Interest cost	72	233
Charge/(cancelled) for the year	7.232	(3.055)
	8.602	**1.210**

12 - OTHER ASSETS AND LIABILITIES

	2009	**2008**
Other current assets		
Value Added Tax ("VAT") receivables	2.361.379	2.145.224
Prepaid taxes and duties	262.186	110.889
Prepaid expenses	169.821	30.475
Work advances given	144.594	-
Advances given	-	7.454.208
Other	164.616	-
	3.102.596	**9.740.796**
Other non-current assets		
VAT receivables	11.538.401	-
Deposits and guarantees given	111.210	-
Prepaid expenses	12.376	18.472
	11.661.987	**18.472**
Other current liabilities		
Provision for construction firm payments	2.788.518	4.606.689
Taxes and duties payable	827.951	285.849
Expense accruals	97.828	-
Other	147.489	782
	3.861.786	**4.893.320**
Other non-current liabilities		
Deposits and guarantees received	79.510	-
	79.510	**-**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

13 - EQUITY

At 31 December 2009 and 2008 the issued and fully paid-in share capital held is as follows:

	Share %	2009	Share %	2008
Türkiye Sınai Kalkınma Bankası A.Ş.	96,00	96.000.000	96,00	96.000.000
Yatırım Finansmanı A.Ş.	2,00	2.000.000	2,00	2.000.000
TSKB A.Ş. Mensupları Munzam Sos. Güv. ve Yar. Vakfı	1,15	1.150.000	1,00	1.000.000
TSKB Gayrimenkul Değerleme A.Ş.	0,45	450.000	0,60	600.000
TSKB A.Ş. Memur Müstah. Yardım ve Emeklilik Vakfı	0,40	400.000	0,40	400.000
Paid-in share capital	**100,00**	**100.000.000**	**100,00**	**100.000.000**

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of at least 10% of distributions in excess of 5% of issued and fully paid-in share capital, without limit. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

In accordance with the Communiqué Serial: XI, No: 29 which became effective as of 1 January 2008 and according to the CMB's announcements clarifying the said Communiqué, "Share Capital", "Restricted Reserves Allocated from Profit" and "Share Premiums" need to be recognized over the amounts contained in the legal records. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising from the valuation of "Paid-in Capital" and not yet been transferred to capital should be classified under the "Inflation Adjustment to Share Capital";

- if the difference is arising from valuation of "Restricted Reserves" and "Share Premium" and the amount has not been subject to dividend distribution or capital increase, it shall be classified under "Retained Earnings".

In accordance with the decision of Capital Markets Board on 8 February 2008 number 4/138 the minimum profit distribution ratio shall be applied as 20% (31 December 2008: 20%) in relation to publicly-listed joint stock partnerships as of 1 January 2008.

Accordingly, it has been made possible that shares, issued in cash or through the addition of dividend to the capital upon the decision of the Company's general assembly, can be distributed to the partners free of charge or that the distribution can be partly made in cash and partly through the free distribution of shares. It has been further enabled that initial dividend amount be left to the partnership without distribution, if such amount is lower than the 5% of the existing paid-up/issued capital amount. Nevertheless, with regard to the joint stock partnerships, which have increased its capital without performing a dividend distribution as to the previous period and which separates its shares as "new" and "old", it has been made obligatory for those partnerships, which will distribute dividend out of its 2007 profits, to distribute the initial dividend amount in cash.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

13 - EQUITY (Continued)

Additionally, pursuant to CMB decision with no 7/242 and dated 25 February 2005, the whole amount of the profit distribution amount, which is calculated over the net distributable profit, determined according to the CMB regulations, in accordance with the CMB regulations regarding minimum profit distribution liability, shall be distributed, if all of this amount can be covered by the distributable profit included in the legal records; on the other hand, if the whole of this amount cannot be met, the whole of the net distributable profit included in the legal records shall be distributed. In case period losses exist in the financial statements, prepared according to the CMB regulations, and in any one of the legal records, profit distribution shall not be performed.

Equity statement in accordance with the Communiqué Serial: XI, No: 29 is as follows;

	2009	**2008**
Share capital	100.000.000	100.000.000
Restricted reserves	152.670	43.301
- Legal reserves	152.670	43.301
Net income for the period	55.346.022	3.062.966
Retained earnings	8.634.031	5.680.434
	164.132.723	**108.786.701**

As of 31 December 2009 extraordinary reserves amounting to TL8.634.031 (2008: TL5.680.434) are reclassified in retained earnings.

14 - SALES AND COST OF SALES

	2009	**2008**
Sales		
Fındıklı bulding 1 rent income	1.755.134	1.608.624
Fındıklı bulding 2 rent income	2.591.712	2.375.329
Pendorya SM rent income, net	243.591	-
Tahirhan rent income	58.434	63.949
Land sales income	-	2.000.000
Total rent income	**4.648.871**	**6.047.902**
Pendorya SM service and management charges	74.450	-
	4.723.321	**6.047.902**
Cost of sales		
Maintenance, insurance and tax expenses	(262.461)	(245.628)
Electricity, water and gas expenses	(121.317)	-
Security expenses	(98.556)	-
Cleaning expenses	(74.369)	-
Management service expense	(43.848)	-
Administration service expense	(19.124)	-
Land costs	-	(1.603.112)
Other	(74.976)	-
	(694.651)	**(1.848.740)**
Gross Profit	**4.028.670**	**4.199.162**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

15 - EXPENSES BY NATURE

	2009	2008
General administrative expenses		
Personnel expenses	1.014.400	909.733
Consultancy expenses	296.590	-
Audit and legal service expenses	147.624	122.622
Accommodation, transportation and travel expenses	64.377	43.908
Depreciation expenses (Note 9)	14.308	11.588
Education expenses	8.073	20.069
Other	203.970	55.181
	1.749.342	**1.163.101**

Marketing expenses		
Advertisement expenses	899.286	136.876
	899.286	**136.876**

16 - OTHER INCOME/EXPENSES

	2009	2008
Other operating income		
Fair value increase of investment property (Note 8)	52.048.945	6.253.358
Overdue amount of construction firm	538.831	-
Other	44.460	-
	52.632.236	**6.253.358**

Other operating expenses		
Commission expenses	(39.239)	(54.310)
Other	(2.334)	(60.070)
	(41.573)	**(114.380)**

17 - FINANCIAL INCOME

	2009	2008
Financial income		
Foreign exchange gain, net	825.299	-
Interest income from time deposits	558.750	-
Interest income from reverse repos	285.255	612.376
Income from marketable security sales	7.120	190.231
	1.676.424	**802.607**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

18 - FINANCIAL EXPENSES

Financial expenses	**2009**	**2008**
Interest expense	(301.107)	-
Foreign exchange expenses, net	-	(6.777.804)
	(301.107)	**(6.777.804)**

19 - TAX ASSETS AND LIABILITIES

The Corporate Tax Law was altered by Law No.5520 on 13 June 2006. Many clauses of Corporate Tax Law No.5520 which are valid starting from 1 January 2006, was taken into effect after being published in the Official Gazette dated 21 June 2006 No.26205. According to the New Tax Law, the corporate tax rate in Turkey is payable at the rate of 20% for 2006 (2005: 30%). The corporate tax rate is calculated on the total income of the Company after adjusting for certain disallowable expenses, exempt income and other allowances. No further tax is payable unless the profit is distributed.

The Company is exempt from Corporate Tax in accordance with paragraph 4-d of Article 8 of the Corporate Tax Law. And in accordance with paragraph 6-a of Article 94 of the Income Tax Law, the earnings of the real estate investment trusts are subject to withholding, with the Council of Ministers decision, No. 93/5148, the withholding rate is determined as "0". Therefore, the Company has no tax obligation due to the earnings of the Company for the related period.

20 - EARNINGS PER SHARE

The earning per share stated in income statement is calculated by dividing net income for the period by the weighted average number of Company's shares for the period.

Companies in Turkey are allowed to increase their paid-in capital by issuing "free shares" which represent the increases from retained earnings and revaluation funds. The issue of such shares is treated as the issuance of ordinary shares in the calculation of earnings per share. The weighted average number of shares includes such shares and their retrospective effects.

The earnings per share amount is calculated by dividing net income for the period by the weighted average number of Company's shares for the period.

	2009	**2008**
Net profit for the period	55.346.022	3.062.966
Weighted average number of shares	100.000.000	77.260.274
Earnings per share	**0,5535**	**0,0397**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Balances with related parties at 31 December 2009 and 2008 are as follows:

	2009	2008
Cash and cash equivalents		
Türkiye Sınai Kalkınma Bankası A.Ş.		
- Euro demand deposits	234.184	-
- TL demand deposits	2.731	754
Türkiye İş Bankası A.Ş.		
- Euro demand deposits	9.995	440
- TL demand deposits	24.626	1.527
	271.536	**2.721**
Prepaid expenses to related parties		
Türkiye Sınai Kalkınma Bankası A.Ş.	10.154	10.160
	10.154	**10.160**
Borrowings from related parties		
Türkiye Sınai Kalkınma Bankası A.Ş.	118.755.917	65.488.121
Türkiye İş Bankası A.Ş.	7.106.520	7.060.687
	125.862.437	**72.548.808**
Financial lease obligations to related parties, net		
Vakıf Finansal Kiralama A.Ş.	304	289
İş Finansal Kiralama A.Ş.	-	21.756
	304	**22.045**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

b) As of 31 December 2009 and 2008 the rent and interest incomes from related parties are as follows:

	2009	2008
Sales to related parties		
Rent income		
Türkiye Sınai Kalkınma Bankası A.Ş.	4.240.626	3.886.560
TSKB Gayrimenkul Değerleme A.Ş.	87.201	79.920
TSKB Yatırım Ortaklığı A.Ş.	9.820	9.000
TSKB Mensupları Munzam Sosyal Güvenlik ve Yardımlaşma Vakfı	6.363	5.832
	4.344.010	**3.981.312**
Interest income from related parties		
Türkiye İş Bankası A.Ş.	1.195	868
Türkiye Sınai Kalkınma Bankası A.Ş.	-	173
	1.195	**1.041**

c) As of 31 December 2009 and 2008 the commission paid, service and interest expenses to related parties are as follows:

	2009	2008
Loan and insurance commission expenses to related parties		
Türkiye Sınai Kalkınma Bankası A.Ş.	89.138	655.648
Türkiye İş Bankası A.Ş.	73	170.203
	89.211	**825.851**

As of 31 December 2009 loan commission fees amounting to TL51.653 (2008: TL639.355) are capitalized under Pendik AVM and Adana land project development.

	2009	2008
Other expenses to related parties		
Türkiye Sınai Kalkınma Bankası A.Ş.	212.079	121.290
	212.079	**121.290**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

	2009	2008
Interest expenses to related parties		
Capitalized interest expenses:		
Türkiye Sınai Kalkınma Bankası A.Ş.	6.932.210	5.722.093
Türkiye İş Bankası A.Ş.	579.803	536.262
	7.512.013	**6.258.355**
Interest expense through profit/loss:		
Türkiye Sınai Kalkınma Bankası A.Ş.	301.107	**-**

d) Salaries and other benefits paid to the Board of Directors and top management:

	2009	2008
Benefits to Board of Directors and top management	180.600	157.500
	180.600	**157.500**

22 - FINANCIAL RISK MANAGEMENT

The Company adopts a liquid portfolio management approach for use in possible property projects and it uses short-term instruments. The Board of Directors determines the portfolio management strategy for financial assets of the Company and the comparable criteria, considering the economic developments and expectations.

i. Informations on credit risk

The loan risk of the Company consists of mainly reverse repos, securities and deposits in banks. The deposit of the Company in banks and reverse repos are kept for terms shorter than three months. Securities comprise the treasury bills and government bonds issued by the Republic of Turkey, Prime Ministry, Undersecretariat for the Treasury. The amounts of the other party loan risk in the assets of the Company, are kept in corporations which are founded and perform activities in Turkey and whose credibility is high.

			Bank Placements		
2009	**Reverse Repos (Note 4)**	**Trading marketable securities (Note 5)**	**Related Parties (Note 21)**	**Other Parties (Note 4)**	**Other (Note 7)**
Maximum credit risk exposure as of the financial statements date	**3.439.000**	**-**	**271.536**	**32.738**	**840.794**
Net book value of financial assets which are neither past due nor impaired	3.439.000	-	271.536	32.738	840.794

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

22 - FINANCIAL RISK MANAGEMENT (Continued)

2008	Reverse Repos (Note 4)	Trading marketable securities (Note 5)	Bank Placements: Related Parties (Note 21)	Bank Placements: Other Parties (Note 4)	Other (Note 7)
Maximum credit risk exposure as of the financial statements date	**8.703.580**	**489.300**	**2.721**	**15.138.320**	**7.584**
Net book value of financial assets which are neither past due nor impaired	8.703.580	489.300	2.721	15.138.320	7.584

For the purposes of the table above, collaterals and other guarantees which increase the collectability of the financial asset are not taken into account. There are no financial assets which are past due and/or impaired. Moreover, the Company does not have any off balance sheet instruments which are subject to the credit risk.

ii. Informations on liquidity risk

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity. The company uses its funds from borrowings in investment property development project developments. The Company manages the liquidity risk by maintaining sufficient cash and other liquid assets from shareholders firstly.

The Company does not have any derivative financial liabilities. The following table presents Company's financial liabilities including interest payments according to their remaining contractual maturities:

2009	Carrying value	Total of contractual cash outflows	Up to 3 months	3 months to 1 year	1 year to 5 years	5 years to 10 years	Demand
Financial liabilities	125.862.741	154.348.557	268	16.496.604	111.945.272	25.906.413	-
Trade payables	4.397.393	4.397.393	4.397.393	-	-	-	-
Provision for employment temination benefits	17.288	17.288	-	-	-	-	17.288
Other liabilities	3.941.296	3.941.296	-	-	-	-	3.941.296
Total liabilities	**134.218.718**	**162.704.534**	**4.397.661**	**16.496.604**	**111.945.272**	**25.906.413**	**3.958.584**

2008	Carrying value	Total of contractual cash outflows	Up to 3 months	3 months to 1 year	1 year to 5 years	5 years to 10 years	Demand
Financial liabilities	72.570.853	98.829.426	1.240.948	1.975.247	65.102.802	30.510.429	-
Trade payables	156.070	156.070	156.070	-	-	-	-
Provision for employment temination benefits	3.144	3.144	-	-	-	-	3.144
Other liabilities	4.893.320	4.893.320	4.606.689	-	-	-	286.631
Total liabilities	**77.623.387**	**103.881.960**	**6.003.707**	**1.975.247**	**65.102.802**	**30.510.429**	**289.775**

22 - FINANCIAL RISK MANAGEMENT (Continued)

iii. Information on market risk

The Company is exposed to various financial risks, including the effects of changes in exchange rates and interest rates of the borrowing and capital market prices, due to its activities. The total risk management program of the Company focuses on the unpredictability of the financial markets and aims at reducing the potential negative effects on the Company's financial performance.

Foreign currency risk

Exchange risk comprises the effects arising from exchange movements in the event foreign currency assets, liabilities and non-balance sheet items are owned. As of 31 December 2009, the net liability of the Company, which is subject to effects that may arise from the exchange movements of the Company, is TL116.369.142 (2008: TL72.573.677).

The Company plans to balance the exchange risk arising from the long term foreign currency borrowings by arranging its rent agreements related to the Pendik Project, in foreign currency.

The foreign currency assets and liabilities of the Company are not balanced with a off-balance sheet instrument as of 31 December 2009.

The below table shows the Company's foreign currency position risk as of 31 December 2009 and 2008. The foreign currency assets and liabilities kept by the Company in Turkish lira are as follows:

	Foreign currency position statement					
	2009			2008		
	TL Equivalent (Functional currency)	USD	EURO	TL Equivalent (Functional currency)	USD	EURO
Moneraty Financial Assets (Cash, Bank balances included)	244.179	-	113.030	440	-	206
Total Assets	**244.179**	**-**	**113.030**	**440**	**-**	**206**
Short Term Financial Liabilities	12.163.009	2.614.946	3.807.659	2.040.588	764.141	413.386
Long Term Financial Liabilities	113.699.428	23.076.924	36.547.009	70.508.220	25.000.000	15.275.000
Other Liabilities	79.510	-	36.805	25.309	-	11.822
Total Liabilities	**125.941.947**	**25.691.870**	**40.391.473**	**72.574.117**	**25.764.141**	**15.700.208**
Net Foreign Currency Liability Position	(125.697.768)	(25.691.870)	(40.278.443)	(72.573.677)	(25.764.141)	(15.700.002)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

22 - FINANCIAL RISK MANAGEMENT (Continued)

The table below shows the sensitivity of the Company to a 10% change in USD, EURO and other exchange rates. The amounts below represent the effect on income statement in the case of a 10% increase/decrease in USD and EURO against TL. In this analysis it was assumed that all other factors especially interest rates remains constant.

31 December 2009	**Profit/Loss**		**Shareholders' equity**	
	Appreciation of foreign currency	**Depreciation of foreign currency**	**Appreciation of foreign currency**	**Depreciation of foreign currency**
In case of 10% change in USD against TL				
1. USD net asset/liability	(3.868.425)	3.868.425	(3.868.425)	3.868.425
2. Covered from USD risk (-)	-	-	-	-
3. USD Net Effect (1+2)	**(3.868.425)**	**3.868.425**	**(3.868.425)**	**3.868.425**
In case of 10% change in EURO against TL				
4. EURO net asset/liability	(8.701.352)	8.701.352	(8.701.352)	8.701.352
5. Covered from EURO risk (-)	-	-	-	-
6. EURO Net Effect (4+5)	**(8.701.352)**	**8.701.352**	**(8.701.352)**	**8.701.352**
Total (3+6)	**(12.569.777)**	**12.569.777**	**(12.569.777)**	**12.569.777**

31 December 2008	**Profit/Loss**		**Shareholders' equity**	
	Appreciation of foreign currency	**Depreciation of foreign currency**	**Appreciation of foreign currency**	**Depreciation of foreign currency**
In case of 10% change in USD against TL				
1. USD net asset/liability	(3.896.311)	3.896.311	(3.896.311)	3.896.311
2. . Covered from USD risk (-)	-	-	-	-
3. USD Net Effect (1+2)	**(3.896.311)**	**3.896.311**	**(3.896.311)**	**3.896.311**
In case of 10% change in EURO against TL				
4. EURO net asset/liability	(3.361.056)	3.361.056	(3.361.056)	3.361.056
5. Covered from EURO risk (-)	-	-	-	-
6. EURO Net Effect (4+5)	**(3.361.056)**	**3.361.056**	**(3.361.056)**	**3.361.056**
Total (3+6)	**(7.257.367)**	**7.257.367**	**(7.257.367)**	**7.257.367**

Interest rate risk

The fluctuations in the prices of financial instruments by the changes in market interest rates lead to the obligation to deal with the interest rate risk of the Company.

The Company is exposed to interest risk according to the price changes of fixed interest Treasury bills classified by the Company as purchase and sales financial assets. As of 31 December 2009, the Company has no fixed interest Treasury bills (if the interest in TL were 1% higher/lower as of 31 December 2008 and if all the variables remained the same, the profit before tax would be TL478 lower or TL479 higher).

The Company is exposed to interest risk based on the changing interest loans which are classified by the Company as financial liabilities in the balance sheet. If the interest in EUR was 1% higher/lower as of 31 December 2008 and if all the variables remained the same, the profit before tax would be TL319.417 lower/higher (2008: TL289.410).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

22 - FINANCIAL RISK MANAGEMENT (Continued)

The table below shows the financial instruments sensitive to interest rates as of 31 December 2009 and 2008:

	2009	2008
Financial instruments with fixed interest rates		
Financial assets		
Trading marketable securities	-	489.300
Financial instruments with variable interest rates		
Financial liabilities		
Financial liabilities	125.862.437	72.548.808

Interest rates which are applied to financial instruments as of 31 December 2009 and 2008 are as follows:

	2009		2008	
Assets				
Reverse repos	TL	%6,50	TL	%15,11
Borrowings	USD	%5,55	USD	%6,11
Borrowings	EURO	%6,41	EURO	%8,85
Government bonds	-	-	TL	%15,90

The Company's assets and liabilities can be grouped based on their repricing maturities as follows as of 31 December 2009 and 2008:

	2009			
	Up to 3 months	3 months to 1 year	Non-interest bearing	Total
Cash and cash equivalents	3.439.000	-	305.835	3.744.835
Trade receivables	-	-	840.794	840.794
Other current assets	-	-	3.102.596	3.102.596
Investment properties	-	-	278.975.800	278.975.800
Property and equipment	-	-	25.429	25.429
Other non-current assets	-	-	11.661.987	11.661.987
Total assets	**3.439.000**	**-**	**294.912.441**	**298.351.441**
Financial liabilities	118.755.916	7.106.521	304	125.862.741
Trade payables	-	-	4.397.393	4.397.393
Provisions for employment termination benefits	-	-	17.288	17.288
Other liabilities	-	-	3.941.296	3.941.296
Total liabilities	**118.755.916**	**7.106.521**	**8.356.281**	**134.218.718**
Net repricing position	**(115.316.916)**	**(7.106.521)**	**286.556.160**	**164.132.723**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

22 - FINANCIAL RISK MANAGEMENT (Continued)

	2008			
	Up to 3 months	3 months to 1 year	Non-interest bearing	Total
Cash and cash equivalents	23.842.340	-	2.673	23.845.013
Trading marketable securities	489.300	-	-	489.300
Trade receivables	-	-	7.584	7.584
Other current assets	-	-	9.740.796	9.740.796
Investment properties	-	-	75.580.000	75.580.000
Property and equipment	-	-	76.728.923	76.728.923
Other non-current assets	-	-	18.472	18.472
Total assets	**24.331.640**	**-**	**162.078.448**	**186.410.088**
Financial liabilities	63.497.100	9.051.708	22.045	72.570.853
Trade payables	-	-	156.070	156.070
Provisions for employment termination benefits	-	-	3.144	3.144
Other liabilities	-	-	4.893.320	4.893.320
Total liabilities	**63.497.100**	**9.051.708**	**5.074.579**	**77.623.387**
Net repricing position	**(39.165.460)**	**(9.051.708)**	**157.003.869**	**108.786.701**

iv. Capital management

The purpose of the Company is to ensure the continuity of the Company as an income-earning enterprise, to guard the benefits of the shareholders and corporate partners and ensure the continuity of the most efficient capital structure to reduce the cost of the capital.

23 - FINANCIAL INSTRUMENTS

Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

***Financial assets*:**

The fair values of cash and due from banks carried at cost are considered to approximate their respective carrying values due to their short term nature.

23 - FINANCIAL INSTRUMENTS (Continued)

Expertise values are used on the determination of the fair values of investment property.

Market prices are used on the determination of the fair values of marketable securities.

Financial liabilities:

The fair values of financial liabilities are considered to approximate their respective carrying values due to turning the foreign currency balances with period end exchange rates and their variable interest rates.

24 - POST BALANCE SHEET EVENTS

(i) With the Board of Directors decision, No. 89, dated 7 January 2010, the Company decided to increase the registered capital ceiling of TL100.000.000 to TL200.000.000; the permission application made for this issue was considered appropriate by the CMB on 22 January 2010 and by the Republic of Turkey Ministry of Industry and Commerce on 26 January 2010, and the amendment to the Articles of Association was approved by the Extraordinary Meeting of the Shareholders held on 29 January 2010.

(ii) With the Company's Board of Directors decision, No. 91, dated 25 January 2010, it was decided that the studies for the public offering of the Company's shares would commence in accordance with the Capital Markets Legislation.

(iii) The leased portion of the leasable area of Pendorya SM, which was opened on 17 December 2009, increased to 87% as of 29 January 2010 from 76% as of 31 December 2009 (2008: None).

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