ÜNLÜ & Co



2012

ANNUAL REPORT



Introduction

What differentiates ÜNLÜ & Co as an investment banking and asset management services provider is its global quality service approach complementing its deep local roots. With its professional staff of more than 250 individuals based in Istanbul, Turkey's financial center with inspirations of a wider regional role, ÜNLÜ & Co offers wide range of investment banking and asset management services to investors, major corporates, financial institutions, blue-chip companies and high net worth individuals.

Since we established our business in a small office with comperatively much larger entrepreneurial aspirations in 1996, our main objective has been to offer our know-how on local markets to the global investors, while helping local businesses to understand the global investors' requirements. The entrepreneurial spirit embedded in the very heart of ÜNLÜ & Co has elevated us from a local advisory house providing mergers and acquisitions advisory to the "Leading Investment Services Provider of Turkey".*

ÜNLÜ & Co aims to deliver results, identify the best opportunities for our clients and enable them to achieve sustainable and profitable results. We offer the best possible choices for our clients with our know-how on the Turkish economy and understanding of international investment banking. Our integrated investment banking and asset management services are focused on a sustainable growth strategy for both our our clients and our own organization.

(*)Intercontinental Finance Magazine Global Awards

We believe that we have played and will continue to play an important part to take Turkey towards its goal of being among the top ten economies of the world in 2023. Since the first day of our establishment, we have been dedicated to promote Turkey and Turkish corporates to the foreign investors. During the late 90s not many investors were aware of the opportunities the Turkish market offered. We organized the first road-shows to clients in Europe, the USA and the Middle East to present the development process of the Turkish economy. Now, as Turkey becomes a more stable and prosperous market, most of the investors around the world have become aware of the opportunities that our country offers and we are here to support them.

With our services ranging from corporate finance advisory to institutional sales and brokerage, from non-performing loan business to portfolio management from private equity advisory to global markets, we provide diverse solutions under one brand. Having established ourselves as the leading investment banking and asset management services firm in Turkey, now our aim is to expand our services to clients in our region.

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Letter from the Chairman & CEO

"OUR GOAL IS TO BUILD A SUSTAINABLY SUCCESSFUL BUSINESS WHERE OUR UNDERSTANDING OF INVESTMENT BANKING AND BUSINESS IS COMBINED WITH OUR PASSION FOR DEVELOPING THE TURKISH ECONOMY. WE CONTINUE OUR MARCH TOWARDS THESE GOALS WITHOUT PAUSE. WE WILL CONTINUE TO BUILD OUR BUSINESSES BASED ON CONTINUED COMMITMENT OF OUR EMPLOYEES AND TRUST OF OUR CLIENTS."

2012 marks an important turning point in our business. Towards the end of the year, we have restructured our business known as Standard Ünlü by redefining our partnership we have had with Standard Bank since 2007. As we announced in April 2012, we established fully owned "Ünlü Financial Investments Corporation" by purchasing the 53% of Standard Bank's shares in Standard Ünlü to become the majority shareholder of our broker dealer with a 75% shareholding.

When we signed the partnership agreement with Standard Bank Group in 2007, this was a significant move for our company to establish a global network, corporate governance standards and provide further impetus to accelerate growth. After five years of successful partnership, the economic trends and the strategies of both companies have changed. Standard Bank's primary objective today is to fully focus on their operations in Africa and Standard Ünlü has grown to a full service local investment house. Our strategic partnership still continues with the 25% shareholding of Standard Bank and we now thrive as the only Turkish investment banking and asset management services platform serving with global standards, only compared to our global peers.

As of April 2012 we have started to operate as ÜNLÜ & Co and now offer services with our eight subsidiaries all combined under one brand. We have reached consolidated annual revenue of more than 50 million USD and a team of more than 250 professionals. We have established our leading position in the Turkish financial market on investment banking advisory. Our aim is to continue to deliver high quality services to our local and global clients with our unparalleled expertise on the Turkish market. As we have done in the past, we will closely follow the global and local trends to offer the best opportunities for our clients. As ÜNLÜ & Co we will work to maintain our leading position in Turkey and extend our services internationally to become the best investment banking services provider in the region as well.

Before presenting our report summarizing our activities in 2012 and assessing our financial results in our inaugral annual report, I would like to take this opportunity to express my deepest thanks first to my partners and colleagues, who have been relentlessly working to achieve our goals, and then to all our clients for choosing us as their preferred business partner and puting their trust in our services. I hope that we will continue to grow both our and our clients' businesses in 2013 and the years to follow with the same entrepreneurial spirit that we have been carrying with us from day one.

Mahmut L. ÜNLÜ



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ALL STREET, STREET, ST

OUR VISION IS TO BECOME THE LEADING INVESTMENT BANKING AND ASSET MANAGEMENT SERVICES PLATFORM IN THE REGION.

OUR MISSION

IS TO CONTINUOUSLY WORK TO ACHIEVE OUR VISION WITH THE ENTREPRENEURIAL SPIRIT AND OUR EXPERTISE IN THE KNOWLEDGE OF OUR LOCAL MARKET AND TO GROW OUR BUSINESS WHILE ADDING VALUE AND PROFIT TO OUR CLIENTS' BUSINESSES.

OUR STRATEGY

1 168-7

IS TO KEEP OUR LEADING POSITION VIA DEVELOPING OUR CORPORATE GOVERNANCE AND WORKING ON OUR BUSINESS DEVELOPMENT GOALS WITH THE HELP OF OUR TEAM OF EXPERTS AND ACHIEVE LONG TERM SUCCESS IN FULFILLING OUR VISION WHILE COMPLYING WITH REGULATIONS AS WELL AS OUR DUTY TOWARDS OUR SOCIETY AND ENVIRONMENT.

Company Profile

ÜNLÜ & CO - TURKEY'S Founded in 1996, as an independent LEADING FINANCIAL

financial advisory firm, ÜNLÜ & Co transitioned itself into a leading **INSTITUTION.** investment banking and asset management services platform. With our unrivalled professional network and broad capabilities, we provide innovative solutions to our clients' needs with world-class capabilities in corporate finance advisory, global market transactions, debt finance and advisory, equity capital markets and asset management.

We provide services to a diverse set of clients that include local and international blue-chip companies, major conglomerates, financial institutions and high net worth individuals with a specialized staff of more than 250 individuals from our offices in Istanbul.

Our services are focused on two core areas:

INVESTMENT BANKING SERVICES

- Market leader, independent M&A advisor to blue-chip corporates and private equity funds
- Dominant player in ECM transactions
- Innovative track record at DCM products & solutions
- Global markets capabilities in equities sales and trading, derivatives and structured solutions

ASSET MANAGEMENT SERVICES

- Fast growing platform diversified across several asset classes
- Predominantly institutional investor base
- Leading manager of distressed debt
- Private Equity Advisory
- Largest Turkey dedicated early stage technology fund
- Established platform of wealth management

We value our employees, clients and community and add value to all parties working in or with the company as well as contributing to the economic and social environment.

We believe that an institution can thrive as much as it adds value and develops its business strategies not just for the sake of the company but also for the greater good of the society it operates in. As ÜNLÜ & Co, we take active part in working for the prosperity of Turkish economy, for the entrepreneurial spirit of the country and support small businesses and young entrepreneurs via our initiatives.



INVESTMENT BANKING SERVICES

ADVISORY

I - CORPORATE FINANCE ADVISORY

M&A Advisory Mergers & Acquisitions Privatization advisory Financial restructuring

ECM Advisory Initial/Secondary public offers Public bids

II - DEBT ORIGINATION AND ADVISORY

Structured Solutions Acquisition and project finance Structured trade finance

Debt Capital Markets

Syndication, local currency loans advisory Foreign and local currency bond issuance CLN, debt capital markets products (Eurobonds, private placement, convertible bonds)

Financial Advisory

MARKETS

I - INSTITUTIONAL SALES & EQUITIES

Equities

Institutional sales Research Private placement

Derivatives

Futures trading on VIOP OTC options

II - GLOBAL MARKETS

Sales and structuring of FX, credit, rates and commodities products Client financing Liability management Asset side solutions Equity derivatives

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ASSET MANAGEMENT SERVICES

ALTERNATIVE INVESTMENTS

I - NON-PERFORMING LOANS (NPL)

Portfolio investments Single case restructuring NPL servicing

II - ÜNLÜ PRIVATE EOUITY

Expansion stage development Replacement capital Management buy – outs

III - 212 CAPITAL – TECHNOLOGY FUND

Internet, mobile and e-commerce early-stage fund Largest dedicated venture capital fund in Turkey

IV - MENA FINANS

Investment advisory firm, providing services to Middle East investors

ASSET AND WEALTH MANAGEMENT

Fixed income portfolio and managed accounts Mutual funds Hedge funds



Our Values

ENTREPRENEURSHIP;

BECAUSE WE BELIEVE THE MOST CREATIVE AND PRACTICAL SOLUTIONS COME FROM THE ENTREPRENEURIAL SPIRIT.

PARTNERSHIP;

BECAUSE WE STRIVE TO BECOME THE BEST LONGTERM PARTNER FOR OUR CLIENTS.

INTEGRITY:

AS IT IS THE BASIS TO AVOID CONFLICTS AND PROVIDE THE BEST SERVICE TO OUR CLIENTS.

COMMITMENT:

BECAUSE WE BELIEVE WE ARE COMMITTED TO SEARCHING, FINDING, AND DELIVERING THE BEST RESULTS FOR OUR CLIENTS.

EXPERTISE;

OUR STRONGEST ASSET IS OUR KNOWLEDGE OF THE TURKISH MARKET AND CORPORATES. WE CONTINUE TO BUILD RELATIONS WITH THE EVER GROWING BUSINESSES IN OUR MARKET.

AND TEAMWORK;

BECAUSE WE HAVE COME THIS FAR WITH THE COMMITMENT. INTEGRITY, PARTNERSHIP AND ENTREPRENEURIAL SPIRIT OF OUR TEAM WHO DEVELOPS THEIR PROFESSIONAL AND PERSONAL SKILLS CONSTANTLY.

Our Strategy

As the leading financial services franchise in Turkey, our main objective is to provide world class services to our clients, interests first and adhere to highest ethical standards. In doing so, we put our clients' interests first and adhere to the highest ethical standards. Our aim is to be the trusted business partner for our clients and build lasting relationships to create value.

To achieve these goals, we aspire to be the best and provide first rate execution capabilities in all our businesses. We

constantly try to improve our services to be innovative and retain the top quality talent.

We aim to keep our leading position via developing our corporate governance and working on our business development goals with the help of our team of experts and achieve long term success in fulfilling our vision while complying with regulations as well as our duty towards our society and environment

By applying these principals to our businesses since 1996, we have become the pre-eminent financial services institution in Turkey. Going forward, our strategy for each of our business lines is as follows:

INVESTMENT BANKING SERVICES

- Expanding our capabilities to become the top rated a one-stop-shop for our clients and provide for all financial needs of our clients.
- Building our balance sheet to enhance our product capabilities in DCM into structured solutions.
- Building a Risk Management Platform that will have trading capabilities in serving our clients' needs along with existing brokerage and M&A businesses.
- Expanding regionally into MENA; initially to Iraq and Egypt with Corporate Finance and Asset Management businesses, followed by the whole platform.

ASSET MANAGEMENT SERVICES

- Enlarging and diversifying our asset management platform into other alternative asset classes.
- Growing our NPL business to acquire TL 500-750 million of non-performing assets every year.
- Improving our Wealth Management capabilities by new product offerings and funds.
- Raising new funds in alternative asset classes over the next 5 years, including private equity, infrastructure, mezzanine, real estate and agriculture funds.

ÜNLÜ & CO **ANNUAL REPORT 2012**

OUR AIM IS TO **BE THE TRUSTED BUSINESS PARTNER** FOR OUR CLIENTS AND BUILD LASTING **RELATIONSHIPS TO** CREATE VALUE.



ÜNLÜ & Co **Board of Directors**

MAHMUT L. ÜNLÜ

Chairman



Mr. Ünlü graduated from the Mechanical Engineering department of Georgia Institute of Technology in 1989 and received an MBA degree from Rice University, Houston in 1991. He worked as an associate of İktisat Bankası in 1991 and subsequently as the Assistant General Manager of Yatırım Bank between 1992 and 1995. He co-founded Dundas Ünlü in 1996. He formed a

strategic partnership with Standard Bank Group Ltd in 2007, called Standard Ünlü and served as the Deputy Chairman and the CEO. He was also a member of the International Executive Committee of Standard Bank. In 2012 he formed ÜNLÜ & Co by acquiring 75% stake of Standard Ünlü and is currently serving as the Chairman.





Mr. Romano graduated from Boğazici University Economics department in 1992 and attended International Relations Program at Istanbul University in 1993. He worked as a Project Assistant at Carrefour between 1993 and 1994, as an Assistant Manager at Yatırım Bank between 1994 and 1996 and as a

CAN ÜNALAN

Vice Chairman



Mr. Ünalan graduated from İstanbul University Management department in 1985 with a major in finance and received an MBA degree from Marmara University in 1986. Mr. Ünalan started his banking career in İs Bankası Internal Audit Division in 1986 and worked in ABN AMRO Bank between 1993 and 2006, holding various positions ranging from ABN Amro Securities CEO and Board Member, CRO (Chief Risk Officer) to

COO (Chief Operations Officer). In 2006 Mr. Ünalan joined GE Capital in Garanti Bank – GE Capital partnership and was a member of the Corporate and Commercial Risk Committee, Before joining ÜNLÜ & Co, Mr. Ünalan was acting as the Turkey CEO in Mubadala GE Capital. He currently serves as Deputy CEO of ÜNLÜ & Co and the GM of Ünlü Menkul Değerler A.Ş. as of June, 2013.



Mr. Tuncalı graduated from the Mechanical Engineering department of Boğaziçi University in 1989 and obtained an International Management degree from Istanbul University in 1990 and an MBA degree in finance from Rice University, Houston in 1992. He started his career as a credit marketing

Member

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Manager at Dundas Ünlü between 1996 and 2002. He has served as the Managing Director of the Corporate Finance Advisory Department at Standard Ünlü and ÜNLÜ & Co, and currently continues his role as the Co-head of Corporate Finance Advisory in Ünlü & Co.

SELÇUK TUNCALI

officer at Interbank and Ticaret Leasing, and subsequently worked as Head of Treasury Marketing Unit at Finansbank and as Head of Fixed Income at İktisat Yatırım. He joined ÜNLÜ & Co in 2002 and currently serves as the GM of Istanbul Varlık, the Non-Performing Loan business of ÜNLÜ & Co.



Senior Management

BACK ROW (Left to Right)

Cenk Ülgen (Ünlü Private Equity Director) Tuncay Kuli (COO), Simge Ündüz (Corporate Finance, Managing Director), Demet Kargın (Global Markets Director), Vedat Mizrahi (Research, Director), Attila Köksal (Executive Board Member), Batur Özyar (Institutional Sales, Managing Director), Ayşe Akkın (Debt Finance & Advisory, Managing Director), Can Ünalan (Deputy Chairman), İbrahim Romano (Co-head of Corporate Finance, Board Member), Murat Gülkan (Ünlü Portföy Managing Director), Erdem Selim (Debt Finance & Advisory, Managing Director), Mehmet Sezgin (Corporate Finance, Managing Director), Hakan Ansen (Global Markets, Director), Kerem Göktan (Ünlü Private Equity Director)

FRONT ROW (Left to Right)

Güray Zora (Co-head of Corporate Finance, Managing Director), Burak Dedeler (Ünlü Private Equity Director), Selçuk Tuncalı (İstanbul Varlık General Manager, Board Member), Mahmut L. Ünlü (Chairman of Ünlü & Co), Şebnem Kalyoncuoğlu Ünlü (Ünlü Securities Board Member and MENA FINANS CEO), Kağan Çevik (Institutional Sales, Managing Director), Esra Korkmazarslan (DUFDAS General Manager).



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Annual Income mln USD

↑ 100

90

80

70

60

50

40

30 20



its doors as a boutique M&A Advisory firm.

Originally established in 1996 in İstanbul as Dundas Ünlü & Co, our company has been a leading provider of mergers and acquisitions advisory in Turkey. Dundas Ünlü & Co operated through its offices in İstanbul, providing advisory services to corporates and investors interested in the Turkish market. Our company pioneered the development of the mergers and acquisitons advisory market in Turkey.

Our History

2002

Acquired a

local brokerage

house, expanding

capabilities in

investment banking.

In 2002,

Dundas Ünlü & Co

acquired a local

brokerage house, Işıklar

Menkul, and began to

expand its corporate finance

activities into other areas of

investment banking services.

ÜNLÜ & CO CONTINUES TO SERVE AS A LEADING INVESTMENT BANKING & ASSET MANAGEMENT GROUP SINCE ITS ESTABLISHMENT IN 1996.

2003

Non-Performing Loans (NPL) business commenced operations as an advisor, building capabilities in asset management services.

Fixed income deparment was founded in **2003**, which was followed by the asset management department in **2004.** An equity fund named DUA and a fixed income fund named DUB were launched in March 2005. Dundas Ünlü became a partner of choice capable of extending full investment banking services catering to it clients' needs.

2005 **New product lines**

added to existing products & services.

A significant move came in 2005, when Dundas Ünlü & Co teamed up with Lehman Brothers in the acquisition of the Non-Performing Loans Portfolio of Savings Deposit Insurance Fund, which led to the establishment of DUFDAS, the pioneer of corporate distressed asset servicing company in Turkey. The company's growth was supported by the Tahincioğlu Group which became a shareholder in 2005. Institutional equity sales department was founded in **2005.** which currently is among the top 10 brokers servicing international institutional equity clients.

2006 - 2007

DU Private Equity Fund was launched. Extended alternative investments started.

Standard Bank became a partner.

Du Private Equity Fund which is one of Turkey's leading private equity funds was founded in 2006. Additionaly, our company underwrote the first corporate bond issue in ten years in Turkey in 2007. Following the growing

succes of Dundas Ünlü, Standard Bank London Holdings Ltd. became a partner in 2007 by acquiring around 67% shareholding in the company from Alasdair Dundas and Tahincioğlu Group, which complemented the business with a global network and complementary debt products and the company was renamed "Standard Ünlü." With the combined strength of two businesses, Standard Ünlü became the leader in investment banking and asset management services provider in Turkey.

2011

companies.

212 Capital Partners,

the leading early

stage Venture Capital

fund to invest in

internet, technology

and communication

companies in Turkey,

across all verticals

E-commerce fund was launched in 2011 to invest in start up technology

Standard Varlık A.Ş. was established in 2009 receiving its licence from

BRSA. In September 2009, Plato Finansal Danışmanlık Servisleri A.Ş. was established to service retail and micro

2009

Retail and SME

NPL capability

was launched.

SME-NPL portfolios.

including software, social gaming, e-commerce, mobile, social media and cloud was launched in partnership with leading internet

entrepreneurs.

ÜNLÜ & CO **ANNUAL REPORT 2012**

2013-2017

Balance sheet extension to become an **Investment Bank**

> Launching new funds

Regional expansion into MENA

Since our establishment in 1996, we have continously grown our business. We are aiming to keep our leading position in Turkey and expand our offering to the region.

2012

Renamed the company ÜNLÜ & Ćo with a 75% shareholding.

In October 2012, Mahmut L. Ünlü became the majority shareholder by acquiring 53% of Standard Bank's shares in Standard Ünlü and **renamed** the company as **ÜNLÜ & Co with** 75% shareholding. ÜNLÜ & Co continues to serve as a leading investment banking and asset management group since its establishment in 1996. Mahmut L. Ünlü is acting as the Chairman & CEO of the company.



Our Awards







IN AN ENVIRONMENT WHERE PUBLIC DEFICIT CONTINUES TO THREATEN THE GLOBAL GROWTH RATES, TURKEY WILL CONTINUE TO OFFER **OPPORTUNITIES TO INVESTORS WITH ITS** STRONG POTENTIAL FOR GROWTH IN THE LONG TERM.

In 2012, the Europeen Central Bank's move to provide low interest rates on credits to help relax the distressed economies in Europe combined with the FED's purchasing of mortgage based securities and bonds enabled the risk appetite in the markets to improve.

Financial Highlights

At the end of 2011, the Turkish economy had started to slow down, current account deficit was running high and the currency had weekened against major currencies which led to the Central Bank tightening in 2012. The annual GDP growth rate was 2.2% in 2012, was lower than the targeted figure in the medium term program (4.5%).

Even though the economic performance was not as bright compare to the last decade, the rise of the global risk appetite and the expectations of the upgrade of Turkey's credit rating helped the Turkish capital markets.

Despite the slow growth rate in Eurozone, with the expansion to new markets in exports, export rates were relatively strong in 2012. Additionally, due to the slowing down of the domestic demand, current account deficit entered a fast downward trend. With the Central Bank's tight monetary policies in the first half of the year, downward trend in the account deficit, and the rising risk appetite around the world helped TL to gain value. The inflation rate, which was as high as 10.5% at the end of 2011, dropped back to single digit numbers. Following this recovery period, the expectations for credit rating upgrades increased and finally in November, Fitch upgraded Turkey to investment grade.

All these factors combined with the increase in global risk appetite enabled CBT to decrease the interest rates of funding and loosen the monetary policy. The downward trend in interest rates accelerated in the last guarter and reached all time low (lower than 6%) levels.

Low interest rate environment had a posivite impact on all IMKB (İstanbul Stock Exchange) companies and most of all the banking system. IMKB rose by 53% and was ranked as the second best stock exchange in the world.

In 2013, we expect an improvement in domestic demand as the interest rates will continue to stay at low levels. This is expected to help the growth rate to reach the 4% levels, up from %2.2 in 2012

We expect the CPI levels to stay high at around 7.5% – 8% levels during 2013. We forecast the current account deficit to stay above the market expectations at around 7.5% of GDP in the second half of the year.

In an environment where public deficit continues to threaten the global growth rates, Turkey will continue to offer opportunities for investors with its strong potential for growth in the long term. The positive developments in 2012 such as incentive policies and the personal pension regulations will provide a boost of interest for the Turkish economy especially if these developments are backed up with new regulations to support budget flexibility.

2012 was a successful year both for Turkey and for ÜNLÜ & Co. We rebranded our company and restructured our businesses, combining them under one brand. The consolidated financial revenue of ÜNLÜ & Co is reported as USD 49.3 million in 2012.

With our financial services offered in corporate finance, debt finance & upcoming five year period.





FINANCIAL RESULTS	2012	2011	2010
Net sales	87,8	78,9	50,8
Gross profit	29,7	28,4	21,0
Profit before tax	27,3	27,5	24,2
Total comprehensive income	23,5	21,4	19,4

Financial results expressed in million TL belong to Ünlü Menkul Değerler A.Ş.

advisory, institutional sales & brokerage, research, global markets, private equity, portfolio management and non performing loans businesses, we aim to hold our leading position in Turkey and work towards our goal of becoming the leading investment banking and asset management group in the region in the

THE CONSOLIDATED FINANCIAL REVENUE OF ÜNLÜ & CO IS **REPORTED AS USD 49.3 MILLION** IN 2012.







BUSINESS UNITS Investment Banking Services



CORPORATE FINANCE ADVISORY

Corporate Finance Advisory is one of the major pillars of ÜNLÜ & Co. We provide advisory services to international and domestic clients on mergers and acquisitions and equity capital market transactions. With a seasoned management team boasting an average of fifteen years of M&A experience, we are committed to working in a collegiate fashion and help our clients to reach their goals.

With a leading position among local and foreign financial advisors and investment banks we provide both buy side and sell side advisory services to our clients since the beginning.

ÜNLÜ & Co has been the leader in M&A league tables in terms of the number of completed transactions between 1998 and 2012 with its 68 completed transactions:

• 46 cross border transactions

- 22 private equity transactions
- 31 buy side transactions

Our completed transactions include landmark transactions such as the acquisition of the leading premium chocolate and chocolate products company Godiva by Ülker Group for USD 850 million and the acquisition of 30% stake in Turkish confectionary and chewing gum company Intergum by Cadbury Schweppes for USD 450 million.

In 2012 after the rebranding as ÜNLÜ & Co, we advised Souter Investments LLP in its USD 861 million winning bid for primary maritime passenger and vehicle transportation company İstanbul Deniz Otobüsleri A.Ş. in consortium with local companies. In addition to M&A and privatization transactions, we also provide advisory services to leading Turkish groups for Equity Capital Market (ECM) transactions.

On equity capital markets side, we advised TAV Holding in its TL 445.6 million IPO including green shoe options, Akfen Holding in its USD 276 million private placement and Bizim Toptan Satış in its USD 255 million IPO.

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ÜNLÜ & CO HAS BEEN THE LEADER IN M&A LEAGUE TABLES IN TERMS OF THE NUMBER OF COMPLETED TRANSACTIONS BETWEEN 1998 AND 2012 WITH ITS 68 COMPLETED TRANSACTIONS.



TOTAL NUMBER OF BUY-SIDE DEALS COMPLETED (1998 - 2012)



Ünlü&Co Competitor | Competitor 2 Competitor 3 Competitor 4

TOTAL NUMBER OF PRIVATE EQUITY DEALS (1998 - 2012)



TOTAL NUMBER OF CROSS-BORDER DEALS COMPLETED (1998 - 2012)



Ünlü&Co Competitor I Competitor 2 Competitor 3 Competitor 4

2012 PROJECTS

In 2012, on buy side transactions, we advised Borusan Lojistik, one of the fastest growing and most active names in Turkish logistics sector, in its acquisition of Balnak Lojistik, one of the leading players in Turkish logistics sector; Boyner Holding, in its acquisition of 63% stake in YKM, a strong player in the non-food retail sector, for TL 190 million. On sell side transactions, we advised HSBC Investment Bank Holdings Plc, on the transfer of 35% stake in Havaş, Turkey's leading ground handling services company, along with İş Girişim to TAV Holding for EUR 80 million; Aksa Akrilik on its 50% stake sale to The Dow Chemical Company; Boyner Holding, on its sale of 90% stake in Back-up and a 99% stake in Back-up Travel to Bassae Holding B.V., a subsidiary of US based Affinion Group, the global leader of customer loyalty solutions.



LOOKING INTO 2013

We aim to continue our leading position in corporate finance in 2013. In the first quarter of 2013, we plan to complete the sale of Turkent Holding's franchisee rights of KFC and Pizza Hut to Yum! Brands of the USA, acquisition of Dia, a leading soft discount grocery chain, by Şok and the sale of 80% stakes in Dentaş, one of the leading corrugated packaging manufacturers in Turkey, to Austria based Prinzhorn Holding's packaging division Dunapack Packaging. We envisage a balance both in terms of buy side and sell side advisory roles and strategic and financial investor types in 2013. We also target to solidify our position in Equity Capital Market (ECM) area through continuing to serve leading Turkish groups and families.





At ÜNLÜ & Co we provide financial advisory services to our corporate clients for the arranging, structuring and provision of a wide variety of debt financing products from local and international funding sources.

With our extensive experience and know-how, our Debt Finance & Advisory team provides tailor made solutions in line with the requirements of our clients:

• Eurobonds

• Sukuk

We are aiming to become a leading player in the fast developing Debt Capital Markets by focusing on corporate bonds and Sukuk deals and increasing the number and volume of the issuances we arrange in 2013. Our Debt Finance & Advisory team is also targeting to increase its financial advisory revenues by completing the structured finance transactions in 2013.

Reserve base lending

• Acquisition Finance

Subordinated loans

• Bridge financing

• Project Finance

financing

• Corporate Loans • Syndicated loans

Club loans

• Structured Debt Finance

- Mezzanine finance

clients with Turkish origin.

• Non/Limited recourse project

Pre-IPO financing

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We also provide arrangement and advisory services to assist our clients in participating in the fast developing Debt Capital Markets.

• Turkish Lira Bonds

Credit Linked Notes

Debt Finance & Advisory Team aalso acts as the exclusive advisor to Standard Bank Plc for the corporate loans provided to

TRANSACTIONS COMPLETED IN 2012



We acted as the sole arranger and bookrunner of the two year TL 30 million floating rate bond issue of one of the leading small home appliances companies in Turkey, Arzum, which was privately placed to qualified individual and institutional investors. We have also acted as the sole arranger and bookrunner of the successful debut two year TL 20 million bond issue of Arzum in 2010.

In February 2012, Boyner Büyük Mağazacılık signed an agreement to acquire the majority shares of YKM Group. Following the approval of the Turkish Competition Authority, received in August 2012. Boyner Büyük Mağazacılık paid TL 176 million for the acquisiton and has secured TL 130 million of acquisition financing to partly finance this payment. We acted as exclusive financial advisor to Boyner Group in relation to the sourcing of the acquision financing for this transaction.

The dominant subscription-based digital pay-TV operator in Turkey; Krea İçerik Hizmetleri ve Prodüksiyon A.Ş. ("Digitürk") was extended USD 263 million senior secured term facility (the "Facility") by The Standard Bank of South Africa Limited, as Initial Mandated Lead Arranger and Co-ordinator, and ING Bank N.V., T. Garanti Bankası A.Ş. and Türkiye İş Bankası A.Ş. as Mandated Lead Arrangers. We acted as the exclusive financial advisor to Digitürk on this transaction.

We acted as the financial advisor in USD 30 million term Ioan facility provided by Standard Bank PIc to Turkey's largest non-food retail sector player; Boyner Group company Altınyıldız in 2012.



INSTITUTIONAL SALES & BROKERAGE



Our Institutional Sales team serves international institutional clients investing in Turkish financial markets, particularly into equities. The client base includes mutual funds, hedge funds, pension funds and Sovereign Wealth Funds based in Europe, the USA and Asia.

Our highly experienced team has been dominant in private placements, initial/ secondary public offerings (IPO/SPO) and block sales. We have led the market in private placements/ block sales by placing US\$2.4bn of shares in 2010-12. Following the gains in the equity index since the summer of 2012, we expect to see a heavier pipeline of high quality deals in 2013 and we plan to take a key role in placements.

Corporate access continues to be one of our strongest competencies. Our team will continue to focus on providing differentiated corporate access for investors, leveraging our company's long-standing business relationships with Turkish companies, in an effort to highlight longer-term investment themes. Understanding politics is a key aspect of investing in Turkey. We thrive in providing best analysis in this area.

As most of our sales and trading team has extensive research background, we differentiate ourselves also by bottom up stock picking year after year. With the increased coverage of stocks through our equity research product in 2013, we plan to reach a wider franchise of investors.

ISE PRIVATE PLACEMENTS AND BLOCK SALES RANKINGS 2010 – 2012



ÜNLÜ & CO **ANNUAL REPORT 2012**

MARKET SHARE





RESEARCH

One of our differentiating services offered to our clients is the dedicated research team providing daily reports and updates as well as regular company and sector research reports.

We continued to provide value added equity research reports to our clients in 2012. We served our international institutional investors with sector analyses, long-term investment ideas, and detailed company-specific reports. Our Research team published regular reports with recommendations, "Market Underperformer, Market Performer, and Market Outperformer", on around 40 companies listed on the Istanbul Stock Exchange and aimed at helping our clients with generating the highest possible returns with these recommendations. The visits to companies under coverage and companies to be covered were carried out on a regular basis. In order to introduce those companies to foreign institutional investors, we organized non-deal road-shows. Research analysts and sales team held meetings with the foreign institutional investors in Continental Europe, the United Kingdom and the USA to update them on the macroeconomic outlook of Turkey and recent developments regarding listed

companies and fixed income securities. We are planning to increase the frequency of calls and visits made to institutional clients in 2013, in order to meet their requests and demands more efficiently. With that intention, we are planning to organize a series of roadshows where corporate executives are accompanied by research analysts and the institutional sales team.

We also plan to increase the number of companies under coverage based on the investors' demands. The value added equity research reports will gain more importance as volatility is expected to accelerate in the stock exchange markets going forward. In order to increase the number and the quality of equity research reports published, research team will be expanded.

Sector analyses and company specific reports will also contribute to other departments of ÜNLÜ & Co. We plan to publish reports regarding companies whose bonds are traded on corporate bond market, which we expect to flourish in an environment where Treasury bond yields have been at historical lows. We aim to achieve a competitive advantage in this developing market.

ÜNLÜ & CO ANNUAL REPORT 2012

WE PUBLISH REGULAR REPORTS ON AROUND 40 COMPANIES LISTED ON THE ISTANBUL STOCK EXCHANGE.

GLOBAL MARKETS

Our Global Markets team provides liquidity and hedging solutions to financial institutions and corporates in close cooperation with Standard Bank. We identify and address the financing, investing and hedging needs of our clients.

Through our origination, structuring, distribution and trading capabilities, we aim to develop innovative and bespoke asset side, liability risk management and financing solutions for our clients based on a deep understanding of each client's individual needs.

We offer vanilla, derivative, structured and leveraged solutions across the following product areas and markets:

swaps, caps and floors)

notes)

commodities financing)

Money Markets

- Foreign Exchange (spot and forward foreign exchange, swaps and options)
- Credit (sovereign/corporate bonds, credit default swaps and credit linked
- Rates (interest rate/cross currency
- Equities Derivatives (equity/index related derivatives and solutions)
- Commodities (base/precious metals and energy forwards, swaps, options and
- Client Financing (financing and leverage of fixed income and equity portfolios)
- Domestic Corporate Bonds

WE PROVIDE LIQUIDITY AND HEDGING SOLUTIONS TO OUR CLIENTS.





PRIVATE EQUITY ADVISORY

Ünlü Private Equity (Ünlü PE) was formed in 2006 as an advisor to a group of institutional investors looking to make private equity investments in Turkey through investment fund structures established and managed outside of Turkey. Since its formation, Ünlü PE has sought to identify high-growth Turkish companies with investment potential. Ünlü PE has developed deep insights into the Turkish corporate landscape through relationships with prominent enterprise owners, providing a powerful competitive advantage for Ünlü PE to advise its clients on their Turkish portfolio. The first fund advised by Ünlü PE was fully invested by 2012, focusing on consumer related sectors. The second fund to be advised will focus on making equity investments in market leading companies with target enterprise values typically ranging between US\$50 million and US\$300 million.



ÜNLÜ & CO ANNUAL REPORT 2012

ASSET AND WEALTH MANAGEMENT

The local fund management industry in Turkey is underpenetrated compared to its international peers due to various structural reasons. However, in light of the positive economic outlook in Turkey and diminishing returns, individual and corporate investors are in search of alternative investment tools. To benefit from the macro changes and the related potential, we re-launched our asset management services with a wider product range.

Our goal is to provide value-added, long-term relationships with investors compatible with their risk profiles and preferences whilst applying fair charging. Our well-experienced team of professionals, independent structure ensuring objective strategies, wellestablished network and competitive pricing distinguishes us from our competitors. Based on these factors, ÜNLÜ Asset Management has made a fast and successful entry into the sector.

Our products, namely A Type Fund, B Type Fund and Hedge Fund are offered to investors in line with their risk profiles and preferences.

B Type Fund (SUB) is suitable for risk-averse or low-risk clients who have traditionally invested in time deposits. With minimal risk and volatility, the aim is to achieve returns higher than time deposit rates. This fund which mainly invests in fixed income products such as Turkish Government Bonds and local private sector bonds also has been ranked amongst highest yielding peer funds in early 2013.

The fund combines:

• A directional view on interest rates and with efficient management of the portfolio's duration, convexity and credit risk, seeking to maximize risk-adjustedreturns across interest rate cycles.

• Aims to offer investors a stable income stream with low volatility.

 Competitive pricing with a management fee of 1.28% p.a. (charged daily to the Fund's NAV), which is significantly below the prevailing market. There are no other fees of any other kind such as entry or exit charges.

A Type Fund (SUA) Our Type A Fund is available to investors who seek to benefit from the Turkish economy's longterm growth potential and can endure short term volatility.

Our Hedge Fund (USY) will be offered to gualified investors in 2013, which aims to generate absolute returns under all market conditions with flexibility to benefit from market moves in both directions.

The fund primarily concentrates on Turkish assets and aims to generate absolute return under all market conditions, with a mid-to long term investment perspective.

The fund has the flexibility to benefit from market moves in both directions by taking net long or net short position.

The fund will invest across all asset classes. There is no predetermined target asset allocation; the fund might employ limited leverage through derivatives (including OTC) to enhance returns and/ or control risks.

We also offer 'one-to-one' portfolio management services to individual and institutional investors. Based on presigned portfolio management agreements, we develop the most suitable investment strategy in accordance with the investor's risk tolerance and restrictions. Our aim is to provide access to a variety of structured financial products which otherwise would not be accessible. We work in collaboration with two local banks for asset custody, keeping records, controlling, auditing and reporting transactions.

ÜNLÜ & CO **ANNUAL REPORT 2012**

OUR GOAL IS TO **PROVIDE VALUE-**ADDED, LONG-TERM **RELATIONSHIPS** WITH INVESTORS COMPATIBLE WITH THEIR RISK PROFILES AND PREFERENCES WHILST APPLYING FAIR CHARGING.

NON-PERFORMING LOANS (NPL) BUSINESS

The ratio of Turkish banking sector's non-performing loans (NPL) to total credit volume is 3% (23,4 billion TL) as of 2012. Retail and SME segments with a combined rate of over 60% make up the lion's share in total NPL loans.

Turkish NPL market is regulated by Banking Regulation and Supervision Agency (BRSA). Asset management companies (AMC) are required to obtain operating licenses from the BRSA and comply with certain capital requirements and restrictions of BRSA. There are currently nine other companies with an AMC license in the market.

NPL sales in Turkey since 2012 have reached a total of TL 10,4 billion with 80 NPL portfolios by a number of banks. Asset Management companies are servicing 30% of this NPL portfolio. The majority of the sales have been realized in the last two years and more than TL 3 billion NPLs are estimated to be auctioned in 2013. As ÜNLÜ & Co we started our NPL business as an advisor to Lehman Brothers in the corporate NPL auctions tendered by the SDIF in 2003 and 2005.

We acted as an advisor in the acquisition of the corporate NPL portfolio with an unpaid principle balance (UPB) of USD 933 million by a consortium of Lehman Brothers-Finansbank-Fiba Group in 2005. DUFDAS, Ünlü & Co's corporate NPL servicing company, managed 1/3 of this portfolio until September 2008.

İstanbul Varlık Yönetim A.Ş. (İstanbul Varlık), formerly Standard Varlık Yönetim A.Ş., was established in April 2009 with the permission of BRSA to invest in NPL portfolios. Following İstanbul Varlık, Plato Finansal Danışmanlık Servisleri A.Ş. (Plato) was established in September 2009 in order to service retail and micro-SME NPL portfolios.

ÜNLÜ SECURITIES



ÜNLÜ & CO ANNUAL REPORT 2012



Positioning servicing companies separately for corporate and retail NPLs and keeping the AMC as an asset holding vehicle are unique characteristics of ÜNLÜ & Co's NPL business.

İstanbul Varlık

• Istanbul Varlık purchased I Corporate 10 Retail NPL portfolios until 2012 year end.

• The 11 NPL portfolios with a total of circa TL 941 million of assets and 156,000 borrowers.

• İstanbul Varlık has placed itself as the third largest player in the Turkish NPL market with an investment over TL 125 million.

DUFDAS

• DUFDAS started its operations in 2005 as a sub-servicer to Lehman Brothers in the first NPL transaction in Turkey

• DUFDAS managed a portfolio of 695 borrower groups, mainly corporates and SMEs, with a UPB of USD 330 million. • A corporate NPL portfolio was acquired from a leading Turkish bank on a revenue sharing basis in November 2009. This is the first revenue sharing transaction with a private bank in the Turkish NPL market. DUFDAS has been servicing this portfolio to date.

Plato

• Plato was established to service retail and micro-SME NPL portfolios acquired by İstanbul Varlık and provide NPL servicing to local banks via outsourcing and revenue sharing methods.

• Plato coordinates its collection operations through call center operations, lawyer channel operations, litigation (field) activity operations and secondary operations such as overdue management and salary attachment.

• Plato's current platform allows it to service up to 350 thousand borrowers with its nearly 200 employees by the end of 2012.









MENA Finansal Yatırımlar A.Ş. (MENA FINANS) is the only local investment advisory firm providing one stop services focused specifically to the Middle East investors (outside the CMB regulations) for their debt and equity finance transactions. MENA FINANS, through its experienced management team and strong client network, offers tailor made services to the Middle Eastern private equity and mezzanine funds, investment banks, sovereign wealth funds and family offices for their direct investments in Turkey.

MENA FINANS business lines include;

I. Private Equity

MENA FINANS provides full-fledged private equity services including origination, structuring and execution of private equity transactions as well as post-acquisition management services through its local team capabilities with a unique understanding of the market, industry trends and regulatory issues.

Private equity transaction focus is growth capital opportunities targeting stable companies with consistent revenue growth and strong dividend generation capacity. Priority sectors are food and agrico, retail, logistics, pharma and healthcare services.

MENA FINANS provides tailor made structuring based on the investment criteria of the MENA investors, including shari'ah compliant investment structuring and management until successful exit.

2. Mezzanine Financing

3. Real Estate

MENA FINANS is able to provide full fledged services for Real Estate investments, which include but not limited to origination, structuring and execution of tailor-made and efficient investment structures, assist in acquisition financing from local financial institutions, structuring shari'ah compliant real estate transactions for both Income Generating and Development Projects.

MENA FINANS provides proprietary mezzanine deal sourcing and tailor made structuring and execution services in the local market, which includes both debt and equity component to meet the MENA investors' investment criteria while serving the companies' needs.

MENA FINANS IS THE ONLY LOCAL INVESTMENT **ADVISORY FIRM PROVIDING ONE STOP** SERVICES FOCUSED SPECIFICALLY TO THE MIDDLE EAST.

212 CAPITAL PARTNERS

A number of factors are converging in Turkey-favorable demographics (young, prospering and engaged), a developing risk-capital ecosystem, a reverse brain transfer (Turkish talent returning home from abroad), widespread mobile penetration, emerging Internet ecosystem and maturing e-commerce sector, stable government, strong online and offline consumption habits and more, making Turkey one of the most anticipated markets in the world. ÜNLÜ & Co participated in the formation of 212 Ltd, the advisory company to 212 Capital Partners (212), the leading early-stage Venture Capital fund to invest in Internet, technology and communication companies in Turkey, across all verticals including software, social gaming, e-commerce, mobile, social media and the cloud.

Butigo.com Online fashion retail start-up focusing on fast fashion bale

Balerin.com Online personal care vertical



ArcadeMonk Turkish social gaming studio **Hemenkiralik.com** Online marketplace for people to list and book short-term rentals in Turkey



SaaS solutions for hotel management and socializing the online travel experience **Ha** Online



Solvoyo SaaS provider of advanced supply chain optimization solutions



ÜNLÜ & CO ANNUAL REPORT 2012

212 had an active year in 2012 with investments in 7 early stage companies in the Turkish technology space:







Hazinem.com Online jewellery store


Corporate Social Responsibility

As ÜNLÜ & Co we support entrepreneurship as one of our core values. We believe that the entrepreneurial spirit is the most important drive behind successful businesses.

Entrepreneurship is also important for the development of our economy, especially by creating employment. Besides the public sector, NGOs and academic circles, private sector is also accountable for supporting the innovative and entrepreneurial organizations and individuals. As ÜNLÜ & Co, we are dedicated to support young men and women who want to achieve their goals and become successful entrepreneurs. Our management team is personally taking active roles in essential organizations which support entrepreneurs through several initiatives:

ENDEAVOR

Young entrepreneurs are supported by our presence in Endeavor, which is an international non-governmental organization, aiming to support long term economic growth through supporting young and creative entrepreneurs. Our chairman & CEO, Mahmut L. Ünlü takes active part in their projects as a Board Member.

TOBB ENTREPRENEURSHIP COUNCIL

We also support TOBB's Young Entrepreneurs Sub-committee, with our membership. TOBB has founded an association for providing training, financial support, mentoring and internship programs for young entrepreneurs who are searching guidance and support.

MENTOR-MENTEE PROGRAMS

Additionally, Mahmut L. Ünlü is acting as a mentor in a private program organized by Forbes magazine to support women in business. The program aims to match female managers with male board of directors to help them climb their way up to the company boards and increase the number of successful women leaders.

ÜNLÜ & Co also supports the causes initiated individually by its employees and encourages them to take part in social responsibility projects.

As a part of our strategic development, we aim to continue to develop corporate social responsibility projects and contribute to our community in every way we can.





Corporate Governance & Risk Management Policies

ÜNLÜ & Co is not required to prepare Corporate Governance Principles Compliance Report since its shares are not listed on the stock exchange. However, Compliance Risk defined as the risk of legal or regulatory sanctions, financial loss or loss to reputation that may be suffered as a result of failure to comply with all applicable laws, regulations, codes of conduct and standards of good practice is being managed and monitored by Compliance Department. Ensuring the effective management and supervision of compliance risk is under the ultimate authority and responsibility of the Board of Directors.

Compliance Department is developing policies for the compliance risks that ÜNLÜ & Co group companies may be exposed to, reviewing the said policies on a regular basis in line with changes in the business activities and market conditions and overseeing their implementation.

Within the framework of risk based approach, ÜNLÜ & Co is analyzing regularly all business activities where it is operating and where it is exposed to high risks within a program and is taking necessary precautions for the respective results. ÜNLÜ & Co is acting fairly and honestly to protect the customers' interests and market integrity while conducting its business activities. In this respect, it has established an organizational structure appropriate to prevent the potential conflict of interests and has taken the necessary administrative measures.

Compliance Department is also performing the requirements of ÜNLÜ & Co relating to Prevention of Laundering Proceeds of Crime and Terrorism Financing and in this respect it is reporting the risk monitoring results to Board of Directors on a regular basis.

ÜNLÜ & Co personnel operates under its Compliance Manual (it includes Corporate Code of Ethics as well) reflecting all its policies. All employees are required to comply with the said



5



I- Accounting period;

| January 2012 – 31 December 2012

2- Trade title, trade registration number, availability of any branch offices, contact information of head office and branches, if any, as well as website address, if available;

TRADE TITLE	: UNLU FINANSAL YATIRIMLAR A.Ş.
TRADE REG. NO	: 792072
ADDRESS	: AHİ EVRAN CADDESİ POLARİS PLAZA B BLOK K: I NO: I
	MASLAK ŞİŞLİ İSTANBUL
TELEPHONE	: 0212 367 38 50
FAX	: 0212 346 10 40

3- Organizational, capital, and shareholder structure of the Company and any changes within the period;

The Company's share capital structure is as follows below. The capital of the Ünlü Finansal Yatırımlar A.Ş. is increased from TL 50,000 to TL 32,000,000. Capital increase had been fully paid by Mahmut Levent Ünlü.

NAME OF THE SHAREHOLDERS	NUMBER OF SHARES	SHARE (%)
MAHMUT LEVENT ÜNLÜ	31.999.996	99,99998
KAMİL ATTİLA KÖKSAL	1	0,00003
tahir selçuk tuncalı	I	0,00003
GÜRAY ZORA		0,00003
İBRAHİM ROMANO		0,00003
TOTAL	32.000.000	100,00

4- Remarks as to preferred shares and voting rights attributed to them, if any;

There are no preferred shares.

5- Details as to management, senior managers, and number of employees;

The Board of Directors consists of 3 members one of whom is the Chairman, the other is the Vice-Chairman and the remaining one is the member. The total number of employees as of 31 December 2012 is one.

6- Information as to the transactions made by the Directors in the name of themselves or third persons under the permission by the Company general assembly and their activities that fall under non-competition principle, if any;

None of the activities fall under non-competition principle. Ünlü Menkul Değerler A.Ş.acquired the Mahmut Levent Ünlü's share in 212 LIMITED.The Company had become controlling shareholder by buying the Su General Partners S.A. and Su Private Equity Management LTD shares from Mahmut Levent Ünlü, Kamil Attila Köksal, Güray Zora and İbrahim Romano.

7- Total amount of financial benefits provided including attendance fee, remuneration, premium, bonus, and dividend;

There are no remuneration, premium, bonus and dividend payment during the 2012.

8- Total amount of allowances, travel, accommodation and representation costs, contributions in kind and cash, insurances and similar guarantees;

The total accommodation and representation costs amounting to TRY 229,602 during to 2012.

9- Company's research and development activities;

The Company has made research and development activities during the 2012 and also made investments in new business lines and markets.

10- Investments of the Company within the period;

The Company has made investments to 75% shares of Ünlü Menkul Değerler A.Ş., %100 shares of Su Private Equity Management Ltd and Su General Partner S.A., 32, 5% sahres of 212 LIMITED, 20% shares of Mena Finansal and also Su Turkish Private Equity Opportunities I S.C.A.SICAR, 212 Capital Partners I Cooperatief U.A. funds and Levant B.V bond.

11- The internal control and audit activities of the Company and opinions of the management regarding internal control;

The Company's accounting activities are carried out by the Sigma Serbest Muhasebeci Mali Müşavirlik Ltd. Şti. and audit activities are carried out by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

12- Direct and indirect subsidiaries of the Company and shareholding interests;

ÜNLÜ MENKUL DEĞERLER A.Ş. 212 LIMITED SU PRIVATE EQUITY MANAGEMENT LTD. SU GENERAL PARTNER S.A. MENA FİNANSAL YATIRIMLAR A.Ş.

13- Acquisition of own shares by the Company;

The Company does not acquire its own shares.

14- Statements regarding private and public audition conducted within the accounting year;

The balance sheet as at 31 December 2012 and the statements of income, changes in equity and cash flows for the year ended then are audited by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş

15- Cases filed against the Company with the potential to affect its financial status and activities and details as to the possible consequences;

There are no cases that have been filed against the Company in a manner to affect its financial status and corporate activities.

16- Remarks as to the administrative and legal sanctions applied to the Company and members of the Board of Directors due to implementations contradicting with the provisions of the applicable legislations;

No administrative or legal sanction is applied to the Company and members of the Board of Directors due to implementations contradicting with the provisions of the applicable legislations.

ÜNIÜ&CO **ANNUAL REPORT 2012**

% 75 % 32,5 % 100 % 100 % 20

17- Assessments as to whether targets were achieved in previous periods, whether general assembly resolutions were performed along with the justifications in case of failure:

The planned targets for 31 December 2012 are achieved to a large extent.

18- If relevant, date of extraordinary general assembly meeting and any details as to the meeting including the resolutions and procedures performed in that regard;

No extraordinary general assembly meeting is held within the period.

19- Contributions and donations made by the Company within the period and expenditures related to social responsibility projects;

There are no expenditures related to social responsibility projects.

20- If the Company is affiliated to a conglomerate, any legal actions performed in conjunction with the parent company, an affiliation of the parent company or for the benefit of either the parent company or an affiliation thereof under the direction of the parent company and all measures taken or avoided being taken for the benefit of the parent company or any affiliation thereof during the previous period;

None.

21- If it is affiliated to a conglomerate; whether the Company provided any suitable contra-action for any legal action according to the conditions and terms that were available to them when the legal action referred to in paragraph (i) was taken or the measure was taken or avoided and if the Company suffered from any loss due to the measure that was taken or avoided and whether such loss was equalized or not, if any;

None.

22- Analysis and evaluation of the management as to the financial status and annual results, performance level for the planned activities, the status of the Company according to the strategic targets;

The activities that are planned are performed to a large extent. The Company purchased one private bond. As a result of this investment, the Company had interest dividend income.

23- Sales, productivity, revenue generating capacity, profitability and debit/equity rate of the Company in comparative terms and any other details regarding the results of the Company activities and future plans;

	31.12.2012	31.12.2011
Sales	0	0
Current period net profit	13.633.288,54	173.607,53
Short term liabilities	37.031.253,73	2.205.370,48
Long term liabilities	0	0
Equity	45.806.896,07	223.607,53
Debt/ Equity	0,809	9,863

24- Identification and assessments of the management as to whether the Company capital adequacy or the Company is heavily debted;

There is no capital adequacy in the Company as of 31 December 2012 and 2011.

25- Measures to be taken to improve the financial status of the Company, if any;

None.

26- The policy for profit distribution and suggestions as to in what manner the undistributed dividend, if any, shall be used along with the justification for any undistributed dividend;

Decision regarding the profit distribution will be taken at the Ordinary General Assembly meeting held for the year, 2012.

27- Risk management policy of the Company, in case of any foreseen risks;

The Company makes investments more preservative until the risk management policy of the Company is constituted.

28- Activities and reports of the Early Detection and Management Risk Committee, if established

Early Detection and Management Risk Committee is not established.

29- Future risks regarding sales, productivity, revenue generating capacity, profitability and debit/equity ratio etc;

Investments are planned considering analyses of risks related with fluctuations in the exchange rates, global economy, and political conjuncture.

30- Reports of parent and affiliate companies

In accordance with the provisions of Turkish Commercial Code No. 6102 on "Group of Companies", it has been concluded from the examinations of transactions carried out in 2012 between Ünlü Finansal Yatırımlar A.Ş. and a company affiliated with it, that the transactions executed between Ünlü Finansal Yatırımlar A.Ş. and its affiliates are not contrary to the arm's lenght principles. Therefore, within the scope of the Turkish Commercial Code's provision no. 199, there is no loss compensation or measure taken regarding the transactions carried out between the Company and its affiliate companies of the parent Company.

There are no subsequent events that affect the Company's shareholders, suppliers and other related parties.

31- Other issues;

According to strategy and business development, 75% of Ünlü Menkul Değerler A.Ş.'s share was acquied by the Company and the capital of the Ünlü Finansal Yatırımlar A.Ş. is increased from TL 50,000 to TL 32,000,000.

There are no subsequent events that affect the Company's shareholders, suppliers and other related parties.

ÜNLÜ FİNANSAL YATIRIMLAR A.Ş. **BOARD OF DIRECTORS**

Mahmut Levent ÜNLÜ Chairman

Tahir Selçuk TUNCALI Deputy Chairman

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İbrahim ROMANO Member

FINANCIAL STATEMENTS and INDEPENDENT AUDITOR'S REPORT

WHAT Private



Unit Securities



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ünlü Finansal Yatırımlar A.Ş.:

We have audited the accompanying consolidated financial statements of Ünlü Finansal Yatırımlar A.Ş. and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated balance sheet as at 31 December 2012 and the consolidated comprehensive income statement, statement of changes in shareholder's 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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

Başaran Nas Bağımsız Denetim ve Haluk Yalçın, SMMM Serbest Muhasebeci Mali Müşavirlik A.Ş. A member of PricewaterhouseCoopers

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Ünlü Finansal Yatırımlar A.Ş. and its subsidiaries as at 31 December 2012, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Partner

Istanbul, 26 A

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CONVENIENCE TRANSLATION INTO ENGLISH OF COMPREHENSIVE INCOME STATEMENT FOR THE PERIOD I JANUARY - 31 DECEMBER 2012 ORIGINALLY ISSUED IN TURKISH

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

	Notes	31 December 2012	31 December 2011
ASSETS			
Cash and cash equivalents	4	47,889,642	10,196
Financial assets held for trading	5	6,839,529	2,412,210
inancial assets available for sale	5	462,660	_,,
rade receivables	6	99,054,175	
- Trade receivables due from related parties	26	12,158,169	
			-
- Trade receivables due from other parties	6	86,896,006	-
Other receivables	7	5,248,106	-
- Other receivables due from related parties	26	306,547	-
- Receivables due from other parties	7	4,941,559	-
Assets held for sale	9	5,672,905	-
Prepaid deferred tax	25	20,427	-
Other current assets	8	1,171,414	1,499
Current assets		166,358,858	2,423,905
nvestment in subsidiaries	5	10,130,871	-
Other receivables	7	25,342	2,115
Property and equipment	14	940,500	2,110
ntangible assets	15	351,306	
6			-
Deferred tax assets	25	1,435,752	-
Goodwill	16	29,198,326	-
Non-current assets		42,082,097	2,115
Fotal assets		208,440,955	2,426,020
IABILITIES			
- inancial liabilities	10	8,862,968	1,952,451
- Financial liabilities due to related parties	26	2,497,398	-
- Financial liabilities due to other parties	10	6,365,570	1,952,451
Frade payables	11	16,787,785	.,
- Trade payables due to related parties	26	130,339	
	11	16,657,446	
- Trade payables due to other parties			214154
Other payables	12	7,270,104	214,154
- Other payables due to related parties	26	2,596,917	207,779
- Other payables due to other parties	12	4,673,187	6,375
Current income tax liabilities	25	14,419	44,265
Other short term liabilities	13	1,376,914	-
Provisions for employee benefits	18	6,424,896	-
Current liabilities		40,737,086	2,210,870
inancial liabilities	10	98,460,767	-
- Financial liabilities due to related parties	26	23,602,887	
- Financial liabilities due to other parties	10	74,857,880	_
Other payables	12	78,204	
Provisions	12	8,813,876	
			-
Provisions for employee benefits	18	873,542	-
Current income tax liabilities	25	5,625,067	-
Non-current liabilities		113,851,456	
Shareholder's equity		53,852,413	215,150
Equity attributable to equity holders of the parent		41,785,556	215,150
Share capital	19	32,000,000	50,000
Currency translation	19	(67,292)	-
Retained earnings	19	165,150	
Net income for the period	19	9,687,698	165,150
Minority interests		12,066,857	-

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

	Notes	l January - 31 December 2012	6 October 31 December 201
CONTINUING OPERATIONS			
OPERATING INCOME			
Service income			
- Corporate finance income	20	10,372,174	
- Interest income from credits, net	20	8,652,719	
- Brokerage commission income	20	1,742,601	
- Capital market transactions expense, net	20	(171,095)	
Gross profit		20,596,399	
Marketing, selling and distribution expenses (-)	21	474,826	
General administrative expenses (-)	21	15,618,567	15,74
Other operating income	22	8,165,465	
Operating profit/(loss)		12,668,471	(15,744
Financial income Financial expenses (-)	23 24	3,871,578 3,580,620	255,75 32,45
Profit before tax from continuing operations		12,959,429	207,562
		12,959,429	207,562
Tax (expense)/income from continuing operation			207,56 2 (44 527
	ns 25 25	12,959,429 111,225 (2,486,114)	(44,527
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income	25	111,225	207,56 2 (44,527 2,113 165,15 0
- Deferred tax (expense)/income Profit from continuing operations	25 25	,225 (2,486, 4)	(44,527 2,11
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income Profit from continuing operations Distribution of profit from continuing operations	25 25	,225 (2,486,114) 0,584,540	(44,527 2,11) 165,15 (
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income	25 25	,225 (2,486, 4)	(44,527 2,115
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income Profit from continuing operations Distribution of profit from continuing operations Equity holders of the parent	25 25	111,225 (2,486,114) 10,584,540 9,687,698	(44,527 2,11 165,15 165,15
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income Profit from continuing operations Distribution of profit from continuing operations Equity holders of the parent Minority interest	25 25	111,225 (2,486,114) 10,584,540 9,687,698 896,842	(44,527 2,11 165,15 165,15
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income Profit from continuing operations Distribution of profit from continuing operations Equity holders of the parent Minority interest Total profit from continuing operations	25 25	111,225 (2,486,114) 10,584,540 9,687,698 896,842 10,584,540	(44,527 2,11 165,15 165,15
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income Profit from continuing operations Distribution of profit from continuing operations Equity holders of the parent Minority interest Total profit from continuing operations Other comprehensive (expense)/income Foreign currency translation differences	25 25	(67,292)	(44,527 2,11 165,15 165,15 165,15
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income Profit from continuing operations Distribution of profit from continuing operations Equity holders of the parent Minority interest Total profit from continuing operations Other comprehensive (expense)/income Foreign currency translation differences Total comprehensive income	25 25	<pre></pre>	(44,527 2,11) 165,150 165,150
Tax (expense)/income from continuing operation - Taxes on income/(expense) - Deferred tax (expense)/income Profit from continuing operations Distribution of profit from continuing operations Equity holders of the parent Minority interest Total profit from continuing operations Other comprehensive (expense)/income Foreign currency translation differences	25 25	<pre></pre>	(44,527 2,115 165,15(

CONVENIENCE TRANSLATION INTO ENGLISH OF COMPREHENSIVE INCOME STATEMENT FOR THE PERIOD I JANUARY - 31 DECEMBER 2012 ORIGINALLY ISSUED IN TURKISH

CONVENIENCE TRANSLATION INTO ENGLISH OF COMPREHENSIVE INCOME STATEMENT FOR THE PERIOD I JANUARY - 31 DECEMBER 2012 ORIGINALLY ISSUED IN TURKISH

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

	Attributable to owners of the parent									
	Notes	Adjustments Paid capital	to share capital	Revaluation fund	Currency translation	Retained earnings	Income for the period	Total	M inority interests	Total shareholders equity
6 October 2011		50,000	-		-	-	-	50,000	-	50,000
Transfer to reserves	19	-	-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	165,150	165,150	-	165,150
31 December 2011		50,000	-	<u> </u>		-	165,150	215,150	<u> </u>	215,150
I January 2012		50,000	-		-		165,150	215,150		215,150
Capital increase	19	31,950,000	-	-	-	-	-	31,950,000	-	31,950,000
Changes in consolidation scope		-	-	-	-	-	-	-	11,170,015	11,170,015
Transfer to reserves	19	-	-	-	-	165,150	(165,150)	-	-	-
Total comprehensive income		-	-	-	-	-	9,687,698	9,687,698	896,842	10,584,540
Currency translation		-	-	-	(67,292)	-	-	(67,292)	-	(67,292)
31 December 2012		32,000,000		-	(67,292)	165,150	9,687,698	41,785,556	12,066,857	53,852,413

CONVENIENCE TRANSLATION INTO ENGLISH OF COMPREHENSIVE INCOME STATEMENT FOR THE PERIOD | JANUARY - 3| DECEMBER 2012 ORIGINALLY ISSUED IN TURKISH

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

	Notes	I January - 31 December 2012	6 October - 31 December 2011
Cash flows from operating activities			
Net profit for the period		9,687,698	165,150
Adjustments for to reconcile net income to			
Net cash provided by operating activities:			
Provision for employment termination benefits	18	646,949	-
Provision for unused vacation	18	1,315,036	-
Provision for personnel bonus	18	5,109,860	-
Tax provisions	25	2,374,889	42,412
nterest income		(1,353,913)	(223,306)
Dividend income	23	(34,400)	-
Provisions		61,076	-
ncreases caused by subsidiaries which are			
valuated with equity pickup	22	(10,130,693)	-
Effects of exchange rate changes		2,341,095	
Operating profit before changes in			(15.744)
operating assets and liabilities		10,017,597	(15,744)
Increase in financial investments		(937,235)	(2,156,453)
ncrease in trade receivables		(33,554,013)	(
(Increase)/decrease in other receivables		9,364,795	-
Decrease in other current assets		11,497,013	(1,499)
ncrease/(decrease) in trade payables		5,191,289	(, · · ·) -
(Decrease)/increase in other payables		(1,767,550)	-
(Decrease)/increase in other liabilities		(5,983,188)	213,892
Employment termination benefits paid		(143,052)	
Benefits paid based on stock		(2,330,079)	-
Faxes paid	25	(415,152)	-
Net cash used in operating activities		(9,059,575)	(1,959,804)
Cash flows provided by investing activities			
Dividends received		34,400	-
Interest received		1,353,914	-
Purchase of property and equipment	14	(67,502)	-
Acquisition of subsidiary	16	(11,284,239)	-
Net cash used in operating activities		(9,963,427)	-
Cash flows provided by financing activities:			
ncrease in financial liabilities		37,293,543	1,920,000
Capital increase		31,950,000	-
Net cash provided by financing activities		69,243,543	1,920,000
The effect of change in foreign exchange rates on cash and cash equivalents		(2,341,095)	-
Net increase/(decrease) in cash and cash equivalents		47,879,446	(39,804)
Cash and cash equivalents at the beginning of the period	4	10,196	50,000

CONVENIENCE TRANSLATION INTO ENGLISH OF EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 ORIGINALLY ISSUED IN TURKISH

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

I - ORGANISATION AND NATURE OF OPERATIONS OF THE COMPANY AND GROUP

Establishment of Ünlü Finansal Yatırımlar A.Ş. ("Company") had been registered at 3 October 2011 and the articles of incorporation became valid after being published at Trade Registry Gazette n.7915 at the date of 6 October 2011.

Capital of the company consists totally of contributed capital at the nominal value of TL I and TL 32,000,000 in the name of the holder. TL 31,999,996 of this capital had been paid in cash by Mahmut Levent Unlü, TL I by Kamil Attila Köksal, TL I by İbrahim Romano, TL I by Güray Zora and TL I had been paid in cash by Tahir Selçuk Tuncalı.

Main purpose and subject of Unlü Finansal Yatırımlar A.Ş are; providing services of consulting and research related to subjects like technical, planning, programming, budgeting, projecting, financial and organization, firm values respecting regulation of local and foreign financial markets in the non taxation fiscal subjects, to gather investible funds within the body and to valuate these funds by investing them into the stocks and other securities that stock corporations which has ability of profit or which has that potential, having an active operational role in matters like investment, finance, organization and other common service fields of established or to-be-established firms via participating into their capital and management, and to regulating their operations in these subjects, to make investments, to create new stock corporations with the funds at its body for the purpose of commercial investment, to establish new partnerships with these or with third parties and to do necessary attempt in this matter, to study on social services within or out of body, providing loans or finance from sources out of the community and to operated other operations stated in the articles of incorporation.

Main address of the company is; Ahi Evran Cad. Polaris Plaza B Blok No: | Kat: | Maslak, Istanbul.

Subsidiaries of The Company are Ünlü Menkul Değerler A.Ş. ("Ünlü Menkul"), Su Turkish Private Equity Opportunities ("SİCAR"), SU General Partners S.A. ("SUGP"), SU Private Equity Management Ltd. ("SUPEM") and Mena Finansal Yatırımlar A.Ş. ("Mena").

Ünlü Menkul Değerler A.Ş. had been established with the title of Işıklar Menkul Kıymetler A.Ş. at the date of 3 January 1991 in order to engage in capital markets, comparable with the Capital Market Law and to the related statute predications. Once, Dundas Ünlü & Co. Ltd. Ortakları has been brought out at 5 June 2002, It has been published in the Trade Registry Gazette n.5609 at date of 8 August 2002 and been registered at the date of 28 June 2002 as 'Dundas Ünlü Menkul Değerler A.Ş.'

Company share transfer application of Dundas Ünlü Menkul Değerler A.Ş. had been accepted by Capital Markets Board at the date of 9 August 2007. Share transfers had been completed as of 31 August 2007. Besides, business name of the company had been decided to be changed as "Standard Ünlü Menkul Değerler A.Ş.".

According to the decision taken in the Extraordinary General Assembly Meeting held on 30 October 2012, 59,033,300 of Mahmut Levent Ünlü's shares in Ünlü Menkul Değerler A.Ş. were transferred to Ünlü Finansal Yatırım A.Ş. In addition, the Company's title was changed as "Ünlü Menkul Değerler A.Ş."

SUGP was established in Luxemburg at the date of 14 February 2006. It operates in address of 127, Rue de Mühlenbach, L-2168 Luxembourg. It provides financial consultancy services to SUGP and SICAR. As of 1 October 2012, all stocks belonging to SUGP had been bought out by Ünlü Finansal Yatırımlar A.Ş.

SUPEM was established in Isle of Man at the year of 2006. The main operating address for the company is 33-37 Athol Street Isle of Man. SUPEM provides services of financial consulting. As of I October 2012, all stocks belonging to SUGP was been bought out by Unlü Finansal Yatırımlar A.Ş.

Mena is established in Turkey at the date of 5 July 2012 and it operates at the address of Ahi Evran Cad, Polaris Plaza B Blok No: I Kat: I Maslak, Istanbul. Mena provides financial consultancy, despite Ünlü Finansal Yatırımlar A.Ş which is co-founder partner of Mena Finance has no majority equity share at Mena Finance but it has controlling power upon the management.

Ünlü Finansal Yatırımlar A.Ş. had been defined as 'Group' together with consolidated subsidiaries, Ünlü Menkul, Mena, SUGP and SUPEM, regarding to financial statements. The number of employees has been noted as 222 in the Group as of 31 December 2012 (31 December 2011: None).

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION

The Company maintains its books of account and prepares its statutory financial statements in Turkish Lira ("TL") in accordance with the Turkish Commercial Code and tax legislation.

The financial statements are based on the statutory records on historical cost convention, with adjustments and reclassifications for the purpose of fair presentation in accordance with International Financial Reporting Standards ("IFRS").

Functional and presentation currency

The financial statements are presented in TL, which is the Company's functional currency.

Use of estimates and judgments

• The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

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 2012.

New standards and amendments:

- IFRS 7 (amendment), "Financial instruments: Disclosures on transfers of assets", is effective for annual periods beginning on or after 1 July 2011. This amendment will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitization of financial assets. Comparative information is not needed in the first year of adoption. Earlier adoption is permitted.
- IFRS I (amendment), "First-time adoption of IFRS", is effective for annual periods beginning on or after I July 2011. These amendments include two changes to IFRS 1. The first replaces references to a fixed date of 1 January 2004 with 'the date of transition to IFRSs', thus eliminating the need for entities adopting IFRSs for the first time to restate recognition transactions that occurred before the date of transition to IFRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation. Earlier adoption is permitted.
- IAS 12 (amendment), "Income taxes" on deferred tax, is effective for annual periods beginning on or after 1 January 2012. This amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, "Income taxes - recovery of revalued nondepreciable assets", will no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in
- SIC 21, which is withdrawn, Early adoption is permitted.

Standards, amendments and interpretations not yet effective and not early adopted:

- IAS 19 (amendment), "Employee benefits", is effective for annual periods beginning on or after 1 January 2013. These amendments eliminate the corridor approach and calculate finance costs on a net funding basis, Early adoption is permitted.
- · IAS I (amendment), "Presentation of financial statements", regarding other comprehensive income is effective for annual periods beginning on or after 1 July 2012. The main change resulting from these amendments is a requirement for entities to group items

presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially classifiable again to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI, Early adoption is permitted.

- IFRS 10, "Consolidated financial statements", is effective for annual periods beginning on or after 1 January 2013. The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This new standard might impact the entities that a group consolidates as its subsidiaries.
- IFRS 11, "Joint arrangements", is effective for annual periods beginning on or after 1 January 201. IFRS 11 is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed.
- IFRS 12, "Disclosures of interests in other entities", is effective for annual periods beginning on or after 1 January 2013. The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.
- IFRS 10, 11 and 12 on transition guidance (amendment), is effective for annual periods beginning on or after 1 January 2012. The amendment also provide additional transition relief in IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosure related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for the periods before IFRS 12 is applied.
- IFRS 13, "Fair value measurement", is effective for annual periods beginning on or after
- I January 2013. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP.
- IAS 27 (revised), "Separate financial statements", is effective for annual periods beginning on or after 1 January 2013. The standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.
- IAS 28 (revised), "Associates and joint ventures", is effective for annual periods beginning on or after 1 January 2013. The standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.
- annual periods beginning on or after 1 January 2013. The amendment reflects the joint IASB and FASB requirements to enhance current offsetting disclosures. These new disclosures are intended to facilitate comparison between those entities that prepare IFRS financial statements and those that prepare US GAAP financial statements
- IAS 32 (amendment), "'Financial instruments: Presentation', on offsetting financial assets and financial liabilities", is effective for annual periods beginning on or after 1 January 2014. The amendment updates the application guidance in IAS 32, 'Financial instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.
- IFRS I (amendment), "First time adoption', on government loans", is effective for annual periods beginning on or after I January 2013. The amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS, It also adds an exception to the retrospective application of IFRS, which provides the same relief to first-time adopters granted to existing preparers of IFRS financial statements when the requirement was incorporated into IAS 20 in 2008.
- Annual Improvements to IFRSs 2011 is effective for annual periods beginning on or after
- | January 2013. Amendments effect five standards: IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34,
- IFRS 9, "Financial instruments: Classification and Measurement", is effective for annual periods beginning on or after 1 January 2015. The standard addresses the classification, measurement and recognition of financial assets and financial liabilities, It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments.
- IFRS 10, (amendment) "Consolidated Financial Statements", IFRS 12 and IAS 27 for investment entities is effective for annual periods beginning on or after 1 January 2013. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss, The amendments give an exception to entities that meet an "investment entity" definition and which display particular characteristics. Changes have also been made IFRS 12 to introduce disclosures that an investment entity needs to make.
- 2013. This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine.

• IFRS 7 (amendment), "'Financial instruments: Disclosures', on offsetting financial assets and financial liabilities", is effective for

• IFRIC 20, "Stripping costs in the production phase of a surface mine" is effective for annual periods beginning on or of 1 January

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

Comparative figures and the reclassification to the financial statements of the prior period

In order to determine the financial status and performance trends, the financial statements of the Group have been prepared in comparison with the financial statements of previous periods. The Group prepared its balance sheet as of 31 December 2012 in comparison with the balance sheet prepared as of 31 December 2011; prepared the comprehensive statement of income, statement of changes in shareholders' equity and cash flow statement between 1 January - 31 December 2012 in comparison with 1 January - 31 December 2011. Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Consolidation principles

Subsidiaries

The consolidated financial statements include the financial statements of the Company and its subsidiary. Control is exercised when a company has power over financial and operational policies of a business with the purpose of benefiting from the business' operations.

In assessing control, the existing voting rights and convertibles are considered. The financial statements of subsidiaries, the date on which control power occurs till the end, are indicated in consolidated financial statements.

As of 31 December 2012 and 2011, details of the subsidiary and associate of the Group are as follows:

Company Name Direct subsidiaries;	31 December 2012 Share in capital	31 December 2011 Share in capital	Main
Ünlü Menkul Değerler A.Ş.	75.00%	-	Stock market
	20.00%		brokerage services
Mena Finansal Yatırımlar A.Ş.	20.00%	-	Financial consultancy
SU General Partners S.A. (Luxembourg)	100.00%	-	Financial consultancy
SU Private Equity Management Ltd. (Isle of Man) 100.00%	-	Financial consultancy

Indirect subsidiaries;

Ünlü Portföy Yönetimi A.Ş.	74.99%	- Portfolio management service
Du Finansal Danışmanlık Hizmetleri A.Ş.	74.99%	- Financial consultancy
Plato Finansal Danışmanlık Servisleri A.Ş.	54.44%	- Financial consultancy
İstanbul Varlık Yönetim A.Ş.	74.99%	- Asset management

Subsidiaries taken into financials by equity pickup method;

SU Turkish Private Equity Oppor. I. S.C.A., SICAR	11.77%	_	Private equity
JO TURNINT INVALE EQUILY OPPOIL I. J.C.A., JICAN	11.77/0		i i ivale equily

The balance sheet and income statements of both direct and indirect subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by the Company is eliminated against the related equity.

Where it becomes necessary, the accounting policies of the subsidiary have been changed to ensure the consistency with the policies adopted by the Company.

Intercompany transactions and balances between the Company and the subsidiary are eliminated during consolidation. Subsidiary is consolidated from the date on which control is transferred to the Company and will no longer be consolidated from the date that control ceases.

(b) Financial instruments

(i) Financial assets at fair value through profit or loss

Financial assets, which are classified as "financial assets at fair value through profit or loss", are trading financial assets and are either acquired for generating profit from short-term fluctuations in the price or dealer's margin, or are the financial assets included in a portfolio in which a pattern of short-term profit making exists independent from the acquisition purpose.

Trading financial assets are initially recognized at fair value and are subsequently re-measured at their fair value. In assessing the fair value of the trading securities, the best bid price as of the balance sheet date is used. In case that the fair value price is not formed in an active market conditions it is accepted that the fair value of the asset has not been determined reliably and "The discounted value" which is calculated by effective interest rate is taken into account as fair value. The gains and losses formed as a result of valuation made are booked to the related income/expense accounts.

All related realized and unrealized gains and losses, dividends received and interest earned whilst holding trading securities is reported as "Financial income".

Assets in this category are classified as current assets.

(ii) Financial assets available-for-sale

Available-for-sale financial assets are initially recognized at cost. Cost values of available-for-sale financial asset classified by the Company reflects fair value considering the investment dates are close to balance sheet date.

Available-for-sale financial assets are subsequently re-measured at fair value. "Unrealized gains and losses" arising from changes in the fair value of securities classified as available-for-sale are recognized in shareholders' equity as "Marketable Securities valuation reserve", until there is a permanent decline in the fair values of such assets or they are disposed of.

When these securities are disposed of or impaired, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

When these securities' fair value differences are determined, this impairment loss effect is transferred to the income statement.

(c) Trade Receivables

The Group books a provision for the doubtful receivables when there is an objective evidence of trade receivables are uncollectible. 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.

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 (Note 6).

(d) Derivative financial instruments

Derivative financial instruments are recognized initially at fair value; attributable transaction costs are recognized in income statement when incurred. When a derivative is not designated in a qualifying hedge relationship, all changes in its fair value are recognized immediately in profit or loss as a component of income/(loss) on derivative instruments.

(e) Assets held for sale

A fixed asset classified as an asset kept for sales purposes (or a group of fixed assets to be disposed of) is measured by the lower of either its book value or sales cost deducted from fair value. In order for an asset to be classified as an asset for sales purposes (or a group of fixed assets to be disposed of), it should be promptly sellable under usual conditions frequently encountered in the sales of such assets with a high possibility of being sold. To achieve a high possibility for a sale, the proper administrative level should make a plan for the sale of the asset and start an active program for completion of the plan by determining purchasers. Furthermore, the asset should be put on the market actively at a price compatible with its fair value (Note 9).

(f) Property and equipment

Property and equipment are carried at cost less accumulated depreciation (Note 14).

Depreciation is provided on restated amounts of property and equipment using the straight-line method Based on the useful lives of such assets, the estimated useful lives of assets are as it is shown below:

Office equipment	5 years
Furniture and fixtures	3 - 5 years
Other tangible assets	5 years
Leasehold improvements	lower of 5 years or period of lease

Estimated useful life and depreciation method are reviewed every year to identify the effects of the changes in estimations and the changes in estimations are entered into accounts.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

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.

(g) Intangible assets

Intangible assets comprise acquired intellectual property, information systems and computer software. They are recorded at acquisition cost and amortized on a straight-line basis over their estimated economic lives for a period not exceeding three to five years from the date of acquisition. To determine the change effect in estimation of the estimated useful lives and depreciation method is considered every year and accounted accordingly to changes in these estimations (Note 15).

Where an indication of impairment exists, the carrying amount of any intangible asset is assessed and written down immediately to its recoverable amount.

(h) Impairment of financial assets

Financial assets except trading financial assets are evaluated each period to determine whether they have indicators of impairment.

The financial instruments are accepted as impaired in case that the expected collectable amount calculated by discounting of expected future cash flows by an effective interest rate or the amount accounted in accordance with the fair value of the instrument are lower than the book value of the instrument. For the impaired financial assets the provision for the impairment has been calculated and the booked to the related provision expense accounts.

Cash and cash equivalents are liquid assets and do not have significant impairment risk.

(i) Borrowing cost

All financial expenses are recognized on an accrual basis.

(j) Foreign exchange transactions

Foreign currency transactions during the period have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into new Turkish lira at the exchange rates prevailing at the balance sheet dates. Exchange gains or losses arising from settlement and translation of foreign currency items have been included in the consolidated statements of income. At 31 December 2012, assets and liabilities denominated in foreign currency have been translated into TL using foreign exchange rates of TL 1.7826=US\$1 and TL 2.3517=EUR1(31 December 2011: TL 1.8889=US\$1 and TL 2.4438=EUR1).

economic environment in which the entity operates ('the functional currency').

Related to consolidation, within subsidiaries, assets and liabilities in foreign currency have been converted into Turkish Liras through year-end currency. Profit/Loss items have been converted into Turkish Liras through average annual currencies. Exchange gains or losses arising from settlement and translation of foreign currency items amounting to TL 67.292 have been included in the consolidated statements of equity (31 December 2011:None).

(k) Provisions, Contingent Liabilities and Assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. 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 Group are not included in the financial statements and treated as "Contingent assets or liabilities" (Note 17).

Contingent assets generally arise from unplanned or other unexpected events that bear the probability of inflow of economic benefits to the Group. Contingent assets are not shown on the financial statements, since they may imply accounting of an income that will never be gained. Contingent assets are disclosed in financial statement disclosures, if the inflow of the economic benefits to the Group is probable. Contingent assets are subject to continuous evaluation in order to reflect the effect of developments in contingent assets to financial statements accurately. In case that the probability of inflow of the economic benefit to the Company is almost certain, the related asset and the income generated from the asset are reflected to the financial statements of the regarding period.

(I) Finance leases (where the Group is 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.

(m) 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 29).

(n) Related parties

For the purpose of the accompanying consolidated financial statements, shareholders, key management and board members, in each case together with companies controlled by or affiliated with them, and associated companies are considered and referred to as related parties. A number of transactions are entered into with related parties in the normal course of the business. These transactions consist of the transfer of the assets and liabilities between related parties by a price or free of charge (Note 26).

(o) Taxes calculated over corporation income

Corporate tax

Corporate tax is calculated according to the Tax Procedural Law, and tax expenses except corporate tax are recognized in operating expenses (Note 25).

Turkish tax regulations do not enable the parent company to give tax statement over the consolidated financial statements of its subsidiaries and affiliates. Due to this reason, tax provisions reflected to these consolidated financial statements are calculated for each company the full consolidation scope.

Corporate tax is subject to offsetting when a legal right about netting off the current tax assets and liabilities or when they are related to the corporate tax collected by the same tax regulatory.

Deferred tax

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The rates enacted, or substantively enacted, at the balance sheet date are used to determine deferred income tax (Note 25).

The deferred tax assets and the deferred tax liabilities can be netted off only if there is a legal right in this respect according to the tax legislation of the country they are dependent on.

Deferred tax liabilities and assets are recognized when it is probable that the future economic benefit resulting from the reversal of temporary differences will flow to or from the Company. Deferred tax assets resulting from temporary differences in the recognition of expense for income tax and financial reporting purposes are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilized.

Current tax except for the related items accounted under "Value increase fund" account in equity and deferred tax of the regarding period is accounted as income or expense in the statement of income.

(p) Employee benefits

The Group accounts liabilities related to severance pay, vacation rights and other benefits for employees according to the clause "Turkish Accounting Standard related to Employee Benefits"

("IAS 19") and classifies as "Provisions for employee benefits" at the balance sheet.

The company is liable to pay a collective amount of payment to the employees dismissed except for the cause of retirement or resignation and significant course of actions according to Labor Law in Turkey. Provision for employment termination benefit is determined according to the law and specific actuarial estimations and reflected in the financial statements (Note 18).

According to the current Labor Law in Turkey, in case a contract of employment is terminated for any reason, the Group is obliged to pay the employee or right owners the fee of accrued but unused annual leave as regards to the remuneration on the contract's termination date.

(r) Cash flow statement

For the purposes of cash flow statement, the Group considers bank deposits and mutual funds with a maturity of no more than three months (Note 4).

(s) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Goodwill is allocated to cashgenerating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cashgenerating units that are expected to benefit from the business combination in which the goodwill arose. The Group performs the goodwill impairment test at 31 December. Impairment losses on goodwill could not be reversed; Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold (Note 16).

3 - SEGMENT REPORTING

The Group is engaged in brokerage activities in the capital markets and the Group gives consultancy services regarding asset management through DU Finans, Plato Finans, Istanbul Varlık and The Group's other subsidiary, Ünlü Portföy Yönetimi A.Ş., operates in corporate portfolio management segment.

Besides, SUGP and SUPEM which are the foreign subsidiaries of the group, provides consultancy services.

As at 31 December 2012 and 2011, segment reporting is prepared based on the brokerage, portfolio management activities and private equity.

31 December 2012 f	Brokerage, portfolio management and corporate finance services	Asset management, consultancy services	Private equity	Eliminations	Total
Sales income					
Sales	19,310,020	-	1,339,450	(631,468)	20,018,002
Service income	15,836,573	23,994,277	-	(4,720,645)	35,110,205
Deductions from services income	(1,293)	(15,226,934)	-	-	(15,228,227)
Cost of sales	(19,303,581)	-	-	-	(19,303,581)
Gross operating profit	15,841,719	8,767,343	1,339,450	(5,352,113)	20,596,399
General administrative, marketing,					
selling and distribution expense	(10,141,925)	(8,116,034)	(1,935,181)	4,099,747	(16,093,393)
Other operating income/(expense)	23,614,298	(1,918,342)	(488)	(13,530,003)	8,165,465
Operating profit	29,314,092	(1,267,033)	(596,219)	(14,782,369)	12,668,471
Financial income	2,154,146	1,244,337	768	-	3,399,251
Financial expenses	(1,257,647)	(1,918,870)	(2,474)	70,698	(3,108,293)
Profit before tax from					
continuing operations	30,210,591	(1,941,566)	(597,925)	(14,711,671)	12,959,429
Tax expense	116,191	-	(4,966)	-	111,225
Deferred tax expense	61,430	(521,370)	(2,026,174)	-	(2,486,114)
Profit from continuing operation	ns 30,388,212	(2,462,936)	(2,629,065)	(14,711,671)	10,584,540
Operating segment assets	110,738,219	150,967,726	12,995,196	(66,330,793)	208,440,955
Operating segment liabilities	46,345,631	104,523,758	6,139,859	(6,473,054)	152,562,368
Purchase of property and equipment					
and other intangible assets	828,049	21,208	-	-	849,257
Depreciation and amortization	431,614	227,867	-	-	659,481

4 - CASH AND CASH EQUIVALENTS

	31 December 2012	31 December 2011
Cash on hand	30,185	-
Cash at banks (*)	46,953,434	10,196
Demand deposit	1,632,176	10,196
Time deposit	45,321,258	-
Receivables from reverse repurchase agreements	535,093	-
B type liquid funds	370,930	
	47,889,642	10,196

(*)Bank deposits include TL15, 670,183 (31 December 2011: None) of bank deposits that belong to customers but which are kept in the Group's own accounts (Note 11).

Cash and cash equivalents of the Group are shown in cash flow statements in 31 December 2012 and 2011 by deducing interest accruals:

	31 December 2012	31 December 2011
Cash and cash equivalents	47,889,642	10,196
Customer deposits	(15,670,183)	-
Interest accruals	(26,064)	-
	32,193,395	10,196

As of 31 December 2012 and 2011 there are no restricted deposits on cash and cash equivalents.

As of 31 December 2012 and 2011 the interest rates and maturity of the time deposits are as follows:

	3	31 December 2012		31 December 2011		011
	Original	Amount	Interest	Original	Amount	Interest
Currency	amount	(TL)	rate (%)	amount	(TL)	rate (%)
TL	17,121,359	17,121,359	4.00-8.40	-	-	-
USD	15,805,000	28,188,899	1.25-3.00	-	-	-
		45,310,258			-	

As of 31 December 2012, the maturity of reverse repurchase agreements is 2 January 2013 and the interest rate of reverse repurchase agreements is 5.35% (31 December 2011: None).

5 - FINANCIAL INVESTMENTS Short term financial investments Financial assets held for trading Financial assets available for sale Investments in subsidiaries Financial investments valuated due to equity pickup Subsidiaries SU Turkish Private Equity Oppor, SCA, I, S.C.A, SICAR (*) The company bought the subsidiary above at the date of 16 March 2012. Summarized financial information related to the subsidiary of the company is as shown below;

Total assets Total liabilities (-)

Net assets

Share in net assets of the subsidiaries

Total share of the company in the net assets of the subsidia

31 December 2012	31 December 2011
6,839,529	2,412,210
6,839,529	2,412,210
31 December 2012	31 December 2011
462,660	-
462,660	-
31 December 2012	31 December 2011
10,130,871	-
10,130,871	-
Main Operation	Share % Share %
Private Equity (*)	

	31 December 2012	31 December 2011
	92,499,708	-
	6,426,036	-
	86,073,672	-
	10,130,871	-
uries	10,130,871	

	I6 March - 31 December 2012	
Profit for the period	13,640,908	-
Other comprehensive (expenses)/income	-	-
	31 December 2012	31December 2011
16 March	8,595,943	-
Share from the profit	1,605,535	-
Currency translation differences	(70,607)	-
Dividend payments	-	-
Other equity movements	-	-
Total change in the subsidiaries due to equity pickup	1,534,928	<u> </u>
Period end	10,130,871	-

Investment securities held for trading:

	31 December 2012		3	December 2	2011	
		Market	Interest		Market	Interest
	Nominal	Value	Rate (%)	Nominal	Value	Rate (%)
Government bonds	4,500,000	5,200,334	8.06-9.44	-	-	-
Private sector bond	1,500,000	1,522,448	11.98	2,412,210	2,412,210	30.00
Investment fund	-	116,747	-	-	-	-
		6,839,529			2,412,210	

Details of investment security available-for-sale are as stated below;

	31 December 2012 Share Participation Amou	
	%	TL
212 Capital Partners I Cooperative U, A, (*)	3.31	456,986
212 Limited (Cayman Island) (*)	32.50	5,674

(*)These companies are not publicly interest in any stock market. The Company assumes that the cost value is realistic by considering that the date of investments is made recently to the date of 31 December 2012.

6 - TRADE RECEIVABLES

Short term trade receivables

Receivables from non-performing loans (*) Special provision for non-performing loans (**) Receivables from non-performing loans, net Trade receivables due from related parties (Note 26) Receivables on consultancy services Other

(*) Firm reflects loans and receivables of Istanbul Varlık Yönetimi A.Ş. which is indirect subsidiary of the Company in the financial statements with discounted values of collection estimations via efficient interest method. The differences between recorded blood values and net present value of the calculated collection refer estimations of the loan portfolios under the item of "interest received from loans" in the income statement. Recorded value of nonperforming loans as of 31 December 2012 is TL 84,373,799 (TL 60,599,000 as of 31 December 2011)

7 - OTHER RECEIVABLES

Short term other receivables Levant B.V. (*) Other receivables due from related parties (Note 26) Receivables from Turkish Derivatives Exchange ("TURKDEX") Deposits and guarantees given Other short term receivables

(*) Levant B.V. is a settled financial foundation which operates in Holland. This foundation had gathered funds from a considerable amount investors including foreign and local via private sector bonds with income sharing model, and it indexed the future probable cash flows which will be gathered through the investment channels where these funds are used, to the interest payments of these funds.

Other long term receivables

Deposits and guarantees given

31 December 2012	31 December 2011
116,829,738	-
(32,455,939)	-
84,373,799	-
12,158,169	-
2,463,543	-
58,664	-
99,054,175	-

3	I December 2012	31 December 2011
	4,245,029	-
	306,547	-
	171,675	-
	72,064	-
	452,791	-
	5,248,106	-

 25,342	2,115
25,342	2,115

8 - OTHER ASSETS

31 December 201	
447,949	-
414,165	-
292,541	-
16,054	-
705	1,499
1,171,414	1,499
	414,165 292,541 16,054 705

9 - ASSETS HELD FOR SALE

	31 December 2012	31 December 2011
Real estate held for sale (*)	5,672,905	
	5,672,905	<u> </u>

(*)Assets held for sale, consist of the real estate acquired during the collection of credit payment by Istanbul Varlık.

10 - FINANCIAL LIABILITIES

	31 December 2012	31 December 2011
Short term financial liabilities		
Borrowings (*)	8,721,906	1,952,451
Financial lease obligations	141,062	-
	8,862,968	1,952,451
Long term financial liabilities		
Borrowings (*)	98,419,313	-
Financial lease obligations	41,454	-
	98,460,767	-

(*) There is no fixed interest rate for loans. The loans received are matched with purchased loan portfolios one by one. Repayment of the principal amount and interest on the matched loans is calculated based on collection performance. According to the contract, the company is obliged to pay these calculated amounts within one month following each quarter for the loans taken from Standard Bank PLC, and on the second work day following each quarter for the other loan, Interest rates for the loans taken from Standard Bank PLC are limited to 25% for loans in Turkish Lira and foreign currency. The interest rate for the first and the second TL loans taken from another institution are limited to 30% and 20%.

Short term financial lease obligations

 Within I year

 Less: Future finance charges on financial lease

 Long term financial lease obligations

 I-2 years

 Less: Future finance charges on financial lease

 I-12 years

 Less: Future finance charges on financial lease

 I-10 years

 Less: Future finance charges on financial lease

 II - TRADE PAYABLES

Financial lease obligations are as follows:

Short term trade payables

Customer deposits (Note 4) Miscellaneous payables Trade payables due to related parties (Note 26) Other trade payables

12 - OTHER PAYABLES

Other short term payables

Taxes and funds payable Payables due to shareholders (Note 26) Value Added Taxes payables Social security premiums payable Payables due to employees (Note 26) Expense accruals

Other long term payables

Other payables

31 December 2012 31 December 2011

-	161,094
-	(20,032)
-	141,062
	43,547

31 December 2012 31 December 2011

31 December 2012 31 December 2011

875	3,020,554
207,779	2,413,445
-	1,374,819
-	259,579
-	183,472
5,500	18,235

7,270,104 214,154

78,204	-
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78,204

13 - OTHER LIABILITIES

Other short term liabilities	31 December 2012	31 December 2011
Lawsuit provision (*)	468,571	-
Expense accruals	366,456	-
Other	541,887	-
	1,376,914	<u> </u>

(*)Amount of 468,571 TL under the account of lawsuit provisions at the date of 31 December 2012 (is made related to the reemployment lawsuits prosecuted against the Group (31 December 2011: None).

14 - PROPERTY AND EQUIPMENT

There is no property and equipment of the company as of 31 December 2011.

	Office	Furniture	Other	Leasehold	
	equipment	and fixtures tan	gible assets	improvements	Total
31 December 2012					
Net book value, 1 January 2012	-	-	-	-	-
Changes within consolidation	423,346	832,045	7,380	230,745	1,493,516
Additions	-	67,502	-	-	67,502
Depreciation charge (-)	157,681	267,543	6,760	188,534	620,518
Net book value	265,665	632,004	620	42,211	940,500
Cost	2,557,401	1,945,031	182,431	1,799,981	6,484,844
Accumulated depreciation (-)	2,291,736	1,313,027	181,811	1,757,770	5,544,344
Net book value	265,665	632,004	620	42,211	940,500

As of 31 December 2012 and 2011 there is no restriction or mortgage on the Group's tangible assets.

15 - INTANGIBLE ASSETS

There are no intangible assets of the company as of 31 December 2011.

	l January 2012	Changes In consolidation scope	Additions	Disposals	31 December 2012
Cost	-	562,894	-	-	562,894
Accumulated amortization (-)	-	211,588	-	-	211,588
Net book value	<u> </u>	351,306	-	-	351,306

16 - GOODWILL

i. It has been resolved that 142,216,490 shares of a total of 179,399,700 shares which constitute 53% of the Company with a value of 1 (one) kuruş (TL0.01) each owned by Standard Bank London Holdings Limited, and 59,033,300 shares which constitute 22% of the Company with a value of 1 (one) kuruş (TL0.01) each owned by Mahmut Levent Ünlü is to be transferred to Ünlü Finansal Yatırımlar A.Ş., 99.99% of whose shares are owned by Mahmut Levent Ünlü, one of the other shareholders via the share transfer agreement dated 10 April 2012. The share transfer was approved by CMB on 29 August 2012.

Ünlü Finansal Yatırımlar A.Ş. had become controlling shareholder by buying 142,216,490 of the shares of Ünlü Menkul which generates 53% of Ünlü Menkul's total nominal value of 268,333,000 shares, from Standard Bank London Holdings.

Ünlü Finansal Yatırımlar A.Ş. has added SU General Partners S.A. (Luxembourg) and Su Private Equity Management Ltd (Isle of Man) to its financial statements, through buying 100% of these companies as of 1 November 2012.

ii. Ünlü Finansal Yatırımlar has purchased 2,417 (which constitute 67% of the shares total 3,615). It has also bought shares, Ünlü related to Su General Partners S.A with nominal value of 795 (which constitutes 22% of the total shares) from Mahmut Levent, from Standard Bank PLC, and purchased shares with nominal value of 403 (which constitutes the remaining 11% of the total share) from three different shareholders. Hence, Ünlü Finansal Yatırımlar became the owner of the company by %100.

iii. Ünlü Finansal Yatırımlar has purchased shares with nominal value of 3,615 (which constitutes 67% of the total share of 6.686) from the other firm; "SU Private Equity Management Ltd." which's shares had been bought as of 1 October 2012 from Standard Bank PLC, through buying shares with nominal value of 2,199 (which constitutes 22% of the total share) from Mahmut Levent Ünlü. It has also purchased the remaining shares with nominal value of 1,115 (which constitutes 11% of the total share) from three different shareholders. Hence, Ünlü Finansal Yatırımlar became the owner of the company by %100.

Net assets acquired by the Group and the details of the calculation of goodwill are as follows:

Acquisition cost Contingent considerations

Net acquisition cost

The acquisition cost does not include any other cost except for the amount paid mentioned above, the fair values of assets and liabilities arising from the acquisition are as follows:

Cash and cash equivalents
Trade receivables
Other long term receivables
Financial investments
Property and equipment
Other current assets
Intangible assets
Financial liabilities
Provisions for employee benefits
Other payables
Trade payables
Deferred tax liabilities
Net assets acquired
Equity holder of the parent
Goodwill
Net acquisition cost

Acquired cash and cash equivalents

Net cash flows

77,865,314

77,865,314

66,581,075
73,219,940
9,233,899
6,375,693
829,328
589,422
91,923
(68,077,741)
(9,234,189)
(8,791,049)
(4,936,085)
(1,702,432)
64,179,784
64,179,784
64,179,784 48,666,988
48,666,988
48,666,988 29,198,326

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17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Long term provisions	31 December 2012	31 December 2011
Contingent liabilities (*)	8,813,876	
	8,813,876	

(*)As of 31 December 2012, TL 8,813,876 is the amount of contingent liabilities calculated related to the share transfer agreement that SBIC Investments S.A. and the Company signed on 24 March 2011 for a share transfer with Standard Varlık. The said amount is established based on the estimates of the management using the amounts of assets and liabilities in Standard Varlık's financial statement dated 31 December 2012 referred to in the aforementioned agreement. Contingent liabilities are spread over a term of five years according to the agreement.

As of 31 December 2012 and 2011, Company's off-balance sheet liabilities are as follows:

	31 December 2012	31 December 2011
Letter of guarantee given:		
Collateral provided to courts and directorate of bailiff and execution	5,164,927	-
Collateral for CMB brokerage operations	1,551,776	-
Transaction collateral for ISE bonds and bills market	1,200,000	-
Transaction collateral for ISE equity market	1,000,000	-
Ministry of finance	74,749	-
Collateral for Turk Telekomünikasyon A.Ş.(*)	18,200	-

(*) It includes guarantees related to cases that have been taken to courts for the collection of receivables and it's follow-up procedure of the Company's indirect subsidiary İstanbul Varlık Yönetim A.Ş.

As of 31 December 2012 and 2011 securities given as collaterals are as follows (Note 5):

2011	31 December 2012		31 December	
2011	Nominal	Fair	Nominal	Fair
	Value	value	value	value
Istanbul Stock Exchange	700,000	1,064,910	-	-
Turkish Derivatives Exchange (TURKDEX)	200,000	304,260	-	-
Capital Markets Board	100,000	95,812	-	-
	1,000,000	1,464,982	-	-

18 - PROVISION FOR EMPLOYEE BENEFITS

Short term employee benefits Bonus provision Unused vacation provision

Long term employee benefits

Provision for employment termination benefits

Provisions for employment termination benefits

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 or reaches the retirement age (58 for women and 60 for men) or dies. 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 TL 3,034 (31 December 2011: TL 2,732) for each period of service at 31 December 2012.

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.

International Financial Reporting Standards 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.

Discount rate (%)		
Turnover rate to estimate the probability of retirement (%)	

The basic assumption is that the determined value for every working year increases proportional to inflation. Using this assumption, the existing discount ratio shows the real ratio, unaffected by inflation. Therefore, the maximum amount of employment termination benefits of the Group is determined every six months and is calculated using the maximum amount of TL 3,129 (1 January 2012: TL 2,917).

Movements in the reserve for employment termination benefits during 31 December 2012 and 2011 are as follows:

Beginning of the period Changes in consolidation scope Service cost Interest cost Increase during the year Payment during the year

End of the period

31 December 2012	31 December 2011
5,109,860	-
1,315,036	-
6,424,896	-
873,542	-
873,542	-

31 December 2012	31 December 2011
2.50	-
93	-

31 December 2011	31 December 2012
-	-
-	369,645
-	31,456
-	18,338
-	597,155
-	(143,052)
-	873,542

19 - SHAREHOLDER'S EQUITY

Share capital

As of 31 December 2012 and 2011, share capital structure is as follows:

	31 December 2012		31 December 2011	
	Amount	Share	Amount	Share
Name of the shareholder	(TL)	(%)	(TL)	(%)
Mahmut Levent Ünlü	31,999,996	99.99	49,996	99.99
Other	4	0.01	4	0.01
	32,000,000	100.00	50,000	100.00
Adjustment to share capital	-	-	-	
	32,000,000		50,000	

Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital due to the inflation adjustments.

With the Decision of the Ordinary General Assembly at the date of 4 September 2012, the capital of the Ünlü Finansal Yatırımlar A.Ş. is to be raised to TL 32,000,000 from TL 50,000. Capital increase had been fully covered by Mahmut Levent Ünlü. This capital increase decision had been registered with Trade Registry Gazette n. 8154 dated 11 September 2012.

20 - NET OPERATING INCOME

	l January - 31 December 2012	6 October - 31 December 2011
Corporate finance income	10,372,174	-
Foreign corporate finance income	4,251,288	-
Domestic corporate finance income	6,120,886	-
Interest from credits	8,652,719	-
Interest income from loans	23,860,666	-
Collection service income	20,280	-
Special provision expenses for loans (-)	15,228,227	-
Brokerage commission income	1,742,601	-
Commission from stock sale and brokerage	925,287	-
Commission on custody transactions	72,083	-
Commission from futures market transactions	23,963	-
Portfolio management income	13,286	-
Commission income	707,982	-
Capital market transactions expenses (-)	171,095	-
Other capital market transactions expenses (-)	177,534	-
Sales of government bonds, net	6,439	-
Net operating revenue	20,596,399	-

21 - EXPENSES BY NATURE

Marketing expenses

Marketing and distribution expenses Representation expenses Advertising expenses

General administrative expenses

Personnel expense
Consultancy and audit expense
Rent expense
Lawsuit provision expense
Travel expense
Data line rental expense
Taxes, duty and charges
Communication expense
Building administrative expense
Depreciation and amortization expense (Note 14 and 15)
IT expense
Vehicle expense
Other general administrative expense

22 - OTHER OPERATING INCOME/EXPENSES

Other operating income

Income projected to financial statements through equity pick-up method

Other operating expense

Financial liabilities valuation expense Other service expenses

I January - 31 December 2012	6 October - 31 December 2011	
236,437	-	
231,924	-	
6,465	-	
474,826		
10,198,623	-	
1,986,326	8,239	
533,045	600	
313,520	-	
282,418	-	
252,431	-	
212,645	-	
198,883	-	
148,863	-	
144,774	-	
88,892	-	
81,000	-	
1,177,147	6,905	
15,618,567	15,744	

6 October -I January -31 December 2012 31 December 2011

-	10,130,693	
_	10,130,693	
	,,	
6 October -	l January -	
31 December 2011	cember 2012	31
-	1,891,266	
-	73,962	
	1,965,228	

23 - FINANCIAL INCOME

	l January –	6 October -
	31 December 2012	31 December 2011
Foreign exchange gain	1,943,365	-
Interest income	1,379,978	255,757
Income on derivative instruments	507,825	-
Dividend income	34,400	-
Other income	6,010	-
	3,871,578	255,757

24 - FINANCIAL EXPENSE

	l January - 31 December 2012	6 October - 31 December 2011
Interest expenses	2,112,965	32,451
Foreign exchange losses	1,467,655	-
	3,580,620	32,451

25 - TAX ASSETS AND LIABILITIES

Turkish Corporate Tax Law has been amended by Law No, 5520 dated 13 June 2006. Most of the articles of this new Law No, 5520 have come into force effective from 1 January 2006. The corporation tax rate is 20%.

Corporation tax rate is applicable on the total income of the companies after adjusting for certain disallowable expenses, income tax exemptions (participation exemption, etc) and income tax deductions (for example research and development expenses deduction). No further tax is payable unless the profit is distributed.

Except for the dividends paid to non-resident corporations which have a representative office in Turkey or resident corporations, dividends are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax guarterly at the rate of 20% on their corporate income. Advance tax is declared by the 10th and paid by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability, if, despite offsetting, there remains a paid advance tax amount, it may be refunded or offset against other liabilities to the government.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns by the 25th of the fourth month following the close of the financial year to which they relate.

Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

Current year tax expense	
Current deferred tax expense/(income)	
Total tax expense	
·	
Total tax expense The breakdown of cumulative temporary differences and the	relate

	Temporary Differences			red tax assets/ liabilities)
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
Employee bonus provision and benefits				
for cash-settled share-based payments	4,078,626	-	815,725	-
Provision for employment termination				
benefit and vacation pay liability	2,188,579	-	437,716	-
Tax deductable previous years' loss	919,870	-	183,974	-
Lawsuit provision	468,571	-	93,714	-
Expense accruals	61,076	5,500	12,215	1,100
Other	122,584	5,073	24,517	1,015
Deferred tax assets			1,567,861	2,115
Special provision expenses for loans	18,409,533	-	3,681,907	-
Tax effect arising from investments				
valuated with equity pickup	10,130,871	-	2,026,174	-
Difference between tax base and carrying				
value of tangible and intangible assets	207,975	-	41,595	-
Valuation difference on investment securities	27,568	-	5,514	-
Income accruals	9,913	-	1,983	-
Other	15	-	3	-
Deferred tax liabilities			5,757,176	-
Net-off			(132,109)	-
Deferred tax assets (*)			1,435,752	-
Deferred tax liabilities (*)			5,625,067	-

	Temporary Differences			red tax assets/ iabilities)
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
Employee bonus provision and benefits				
for cash-settled share-based payments	4,078,626	-	815,725	-
Provision for employment termination				
benefit and vacation pay liability	2,188,579	-	437,716	-
Tax deductable previous years' loss	919,870	-	183,974	-
Lawsuit provision	468,571	-	93,714	-
Expense accruals	61,076	5,500	12,215	1,100
Other	122,584	5,073	24,517	1,015
Deferred tax assets			1,567,861	2,115
Special provision expenses for loans	18,409,533	-	3,681,907	-
Tax effect arising from investments				
valuated with equity pickup	10,130,871	-	2,026,174	-
Difference between tax base and carrying				
value of tangible and intangible assets	207,975	-	41,595	-
Valuation difference on investment securities	27,568	-	5,514	-
Income accruals	9,913	-	1,983	-
Other	15	-	3	
Deferred tax liabilities			5,757,176	
Net-off			(132,109)	
Deferred tax assets (*)			1,435,752	
Deferred tax liabilities (*)		!	5,625,067	

(*) The additional amount of tax liability has been issued as TL 1.703.201 in The Group's financial statements within the consolidation. It has been driven from the purchase of subsidiaries in the current period.

l January - 31 December 2012	I January - 31 December 2011
111,225	44,527
(2,486,114)	(2,115)
(2,374,889)	42,412

ed deferred tax assets and liabilities as of 31 December 2012 and

As of 31 December 2012, tax losses and last deduction dates of Ünlü Portföy are as follows:

	Carry forward Tax losses	Last deduction date
2007	419,043	31 December 2012
2008	199,147	31 December 2013
2009	32, 3	31 December 2014
2010	95,665	31 December 2015
2012	135,180	31 December 2017
	981,166	

Ünlü Portföy revised its work schedule as of 31 December 2012 and calculated that it can use TL 120, 000 of the financial loss amounting to TL 981, 166 that can be deducted in the following years. Therefore, Ünlü Portföy has reflected in the accompanying financial statements the deferred tax assets amounting to TL 24,000 of TL 120,000 calculated to be used in the future as of 31 December 2012.

As of 31 December 2012, Plato Finans, subsidiary to the Company, has TL 486,587 fiscal loss. As of 31 December 2012 tax losses and last deduction dates of Plato Finans are as follows:

	Carry forward Tax losses	Last deduction date
2010	411,475	31 December 2015
2012	75,112	31 December 2017
2012	75,112	31 December 2017

486.587

As of 31 December 2012, DU Finans, subsidiary to the Company, has TL 28,983 fiscal loss. As of

31 December 2012 tax losses and last deduction dates of DU Finans are as follows:

	Carry forward Tax losses	Last deduction date
2012	28,983	31 December 2017
	28,983	

As of 31 December 2012, Istanbul Varlık, subsidiary to the Company, has TL 284,301 fiscal loss. As of 31 December 2012 tax losses and last deduction dates of DU Finans are as follows:

	Carry forward Tax losses	Last deduction date
2012	284,301	31 December 2017
	284,301	

26 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Balances with related parties
Due from related parties
Trade receivables (Note 6)
- SU Turkish Private Equity Opportunities I, S.C.A., SICAR

- Standard Bank PLC

Other receivables (Note 7)

- Receivables from personnel

- Standard Bank PLC, Istanbul İrtibat Bürosu

Due to related parties

Financial liabilities (Note 10) - Standard Bank PLC

Trade payables (Note 11)

- Standard New York Securities

- Standard Bank of South Africa Limited

Due to shareholders (Note 12) -Mahmut Levent Ünlü

Other payables (Note 12)

- Payables to personnel

Provisions (Note 13)

- SBIC Investments S. A.

31 December 2012	31 December 2011
6,192,145 5,966,024	-
5,766,024	
12,158,169	-
276,189	-
30,358	
204 5 47	
306,547	<u> </u>
23,602,887	-
23,602,887	-
130,339	-
-	-
130,339	-
2,413,445	207,779
2,413,445	207,779
183,472	-
100 (70	
183,472	-
8,813,876	-
8,813,876	_

b) Transactions with related parties

Income from related parties	31 December 2012	31 December 2011
Service income (Commission income)		
- Taç Yatırım Ortaklığı A.Ş. (*)	32,889	-
- Standard Ünlü Menkul Değerler AŞ B Tipi Değişken Fonu	20,102	-
- Standard Ünlü Menkul Değerler AŞ A Tipi Değişken Fonu	13,216	-
	66,207	-

(*)The agreement between the company related to portfolio management had been repealed as of 30 July 2012 due to that, Taç Yatırım Ortaklığı A.Ş. passed to investment holding status from being investment partnership status as of 24 July 2012.

Service income (Corporate finance income)		
- Standard Bank PLC	13,741,559	-
- SU Turkish Private Equity Opportunities I, S.C.A., SICAR	3,543,670	-
	17,285,229	
Financial income (Dividend income)		
- Taç Yatırım Ortaklığı A.Ş.	34,400	-
	34,400	-
Expenses to related parties		
Marketing expenses		
- Standard New York Securities	733,073	-
	733,073	-
Financial expenses		
- Standard Bank PLC	142,702	-
	142,702	-
Rent Expense		
- Açık Ufuklar Müşavirlik ve Tic, Ltd Şti	-	600
		600
c) Wages paid for the Board and top level managers		

The total of the benefits like wages and so forth that The Group provided foot top level managers within the year ended at 31 December 2012 is TL 14,414,454 (None at 31 December 2011).

27 - FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

i. Information on credit risk

Balances of the Group financial assets, trade receivables and other receivables are faced to credit risk. The group management is responsible to provide credit risk policies, follow credit risk and to its management. The Group enables to take guarantees for balances that are believed to face credit risk in related parties' transactions. The maximum credit risk that The Group faces, is accepted equal to book values of related financial assets.

ii. Information on liquidity risk

Liquidity risk is the inability of the Group to match the net funding requirements with sufficient liquidity. A decrease in funding sources mainly due to market instability or a decrease in credit risk results in liquidity risk. The Group manages the liquidity risk by maintaining sufficient cash and other liquid assets in order to fund the current and prospective debt requirements.

The Group does not have any derivative financial liabilities; the following table presents the cash flows payable by the Group under other financial liabilities according to their remaining contractual maturities as of 31 December 2012 and 2011:

	Carrying	Up to I	l to	3 months	l year to		Total of contractual
	Value	month	3 months	to I year	5 years	Demand	cash outflows
Financial liabilities	107,323,735	6,529,865	422,806	1,885,016	98,460,767	47,406	107,345,860
Trade payables	16,787,785	249,429	16,433,157	105,199	-	-	16,787,785
Other payables and							
liabilities	8,725,222	5,138,689	576,508	3,006,655	-	3,370	8.725.222
Total liabilities	132,836,742	11,917,983	17,432,471	4,996,870	98,460,767	50,776	132,858,867
			3	l December	2011		
	Carrying Value	Up to I month	l to 3 months	3 months to I year	l year to 5 years	Demand	Total of contractual cash outflows

				December	2011		
	Carrying Value	Up to I month	l to 3 months	3 months to I year	l year to 5 years	Demand	Total of contractual cash outflows
Financial liabilities	1,952,893	282,528	-	1,669,923	-	-	1,952,451
Other liabilities	214,154	214,154		-		-	214,154
Total liabilities	2,167,047	496,682	-	l,669,923	-	-	2,166,605

31 December 2012

iii. Information on market risk

Foreign currency risk

Assets and liabilities denominated in foreign currency held by the Group at 31 December 2012 and 2011 in original currency and total TL equivalents are as follows:

31	December 20	12	31 December 2011				
TL				TL			
Equivalent	USD	EUR	GBP	Equivalent	USD	EUR	GBP
28,728,358	16,109,237	4,689	350	-	-	-	-
30,873,936	17,309,244	7,857	_	-	_	_	-
59,602,294	33,418,481	12,546	350	-	-	-	-
26,100,285	14,641,695	-	-	-	-	-	-
15,834,831	8,875,987	4,886	350	-	-	-	-
24,902	13,969		-	-	-	-	-
41,960,018	23,531,651	4,886	350				-
41,960,018	23,531,651	4,886	350	<u> </u>	-	-	-
	TL Equivalent 28,728,358 30,873,936 59,602,294 26,100,285 15,834,831 24,902	TL USD Equivalent USD 28,728,358 16,109,237 30,873,936 17,309,244 59,602,294 33,418,481 26,100,285 14,641,695 15,834,831 8,875,987 24,902 13,969	Equivalent USD EUR 28,728,358 16,109,237 4,689 30,873,936 17,309,244 7,857 59,602,294 33,418,481 12,546 26,100,285 14,641,695 - 15,834,831 8,875,987 4,886 24,902 13,969 -	TL EQUivalent USD EUR GBP 28,728,358 16,109,237 4,689 350 30,873,936 17,309,244 7,857 - 59,602,294 33,418,481 12,546 350 26,100,285 14,641,695 - - 15,834,831 8,875,987 4,886 350 24,902 13,969 - -	TL USD EUR GBP Equivalent 28,728,358 16,109,237 4,689 350 - 30,873,936 17,309,244 7,857 - - 59,602,294 33,418,481 12,546 350 - 26,100,285 14,641,695 - - - 15,834,831 8,875,987 4,886 350 - 24,902 13,969 - - -	TL USD EUR GBP Equivalent USD 28,728,358 16,109,237 4,689 350 - - 30,873,936 17,309,244 7,857 - - - 59,602,294 33,418,481 12,546 350 - - 26,100,285 14,641,695 - - - - 15,834,831 8,875,987 4,886 350 - - 24,902 13,969 - - - -	TL USD EUR GBP Equivalent USD EUR 28,728,358 16,109,237 4,689 350 - - - 30,873,936 17,309,244 7,857 - - - - 59,602,294 33,418,481 12,546 350 - - - 26,100,285 14,641,695 - - - - - 26,100,285 14,641,695 - - - - - 26,100,285 14,641,695 - - - - - - 26,100,285 14,641,695 - - - - - - 24,902 13,969 - - - - - -

Foreign currency sensitivity analysis

31 December 2012

	Profi	t/loss	Shareholder's equity			
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency		
	currency	currency	currency	currency		
10% change in USD foreign currency rate						
- USD net asset/(liability)	1,762,426	(1,762,426)	1,762,426	(1,762,426)		
- Hedged portion against USD risk (-)	-	-	-	-		
Net effect of USD	1,762,426	(1,762,426)	1,762,426	(1,762,426)		
10% change in EUR foreign currency rate						
- EUR net asset/(liability)	1,801	(1,801)	1,801	(1,801)		
- Hedged portion against EUR risk (-)	-	-	-	-		
Net effect of EUR	1,801	(1,801)	1,801	(1,801)		
Total	1,764,227	(1,764,227)	1,764,227	(1,764,227)		
31 December 2011						
	Profit		Shareholder's equity			
	Appreciation of foreign	Depreciation of foreign	Appreciation of foreign	Depreciation of foreign		
	currency	currency	currency	currency		
10% change in USD foreign currency rate						
- USD net asset/(liability)	-	-	-	-		
- Hedged portion against USD risk (-)	-	-	-	-		
Net effect of USD	-	-	-			
10% change in EUR foreign currency rate						
- EUR net asset/(liability)	-	-	-	-		
- Hedged portion against EUR risk (-)	-	-	-	-		
Net effect of EUR		_	-	-		

The foreign exchange rates which are used in the translation of foreign money, assets and liabilities to Turkish Lira are as shown below;

USD EUR

31 December 2012	31 December 2011

2.3517	2.4438
1.7826	1.8889

In the table below, under the basis of the period starting from the date of the balance sheet, to the rest of contract until the date of maturity, company's non-derivative assets and liabilities, net defined derivative financial asset and liabilities has been analyzed regarding the relevant maturity grouping.

	31 December 2012						
	Up to 3 Months	3 Months to I year	l year to 5 years	5 Years and beyond	Demand	Tota	
h an d han la	47 200 42/				500.20/	47.000 (42	
	47,290,436	-	-	-	599,206	47,889,642	
ncial assets held for trading	6,839,529	-	-	-	-	6,839,529	
ncial assets available-for-sale	-	-	-	-	462,660	462,660	
stments in subsidiaries	-	-	-	-	10,130,871	10,130,871	
de receivables	13,055,849	85,998,326	-	-	-	99,054,175	
er receivables	609,442	908,686	-	-	3,755,321	5,273,449	
ets held for trading	-	-	-	-	5,672,905	5,672,905	
perty, plant and equipment, net	-	-	-	-	940,500	940,500	
ngibles assets, net	-	-	-	-	351,306	351,306	
erred tax asset	-	-	-	-	1,435,752	1,435,752	
odwill	-	-	-	-	29,198,326	29,198,326	
er assets	1,149,156	42,684	-	-	-	1,191,840	
	1,149,156	42,684	-	-	52 546 847		

lotal assets	68,944,412	86,949,696	-	-	52,546,847	208,440,955
Financial liabilities	270,453	8,592,515	98,460,767	-	-	107,323,735
Trade payables	-	808,011	-	-	15,979,774	16,787,785
Other payables	4,751,391	183,472	-	-	2,413,445	7,348,308
Deferred tax liability	-	-	-	-	5,625,067	5,625,067
Provisions for employee benefits	-	-	-	-	7,298,438	7,298,438
Provisions	14,419	1,376,914	-	8,813,876	-	10,205,209

Total liabilities

5,036,263 10,960,912 98,460,767 8,813,876 31,316,724 154,588,542

Net reprising position

63,908,149 75,988,784 (98,460,767) (8,813,876) 21,230,123 53,852,413

	31 December 2011					
	Up to 3 months	3 months to I year	l year to 5 years	5 years and over	Demand	Total
Cash and banks	-	-	-	-	10,196	10,196
Financial assets available for sale	147,356	442,068	1,375,321	-	447,465	2,412,210
Other assets	-	-	-	-	3,654	3,654
Total assets	147,356	442,068	1,375,321	-	461,315	2,426,060
Borrowings	282,376	١,670,075	-	-	-	1,952,451
Other liabilities	258,419	-	-	-	-	258,419
Total liabilities	540,795	1,670,075	-	-	-	2,210,870
Net reprising position	(393,439)	(1,228,007)	1,375,321	-	461,315	215,190

The fair value of financial instruments

Despite of the obligatory sale and the close-out, the fair value describes the amount of the financial instrument for its purchase and sell, to the consent process of related sides. Under this circumstance, the quoted market price reflects the fair value, most appropriately.

The Company has been determined estimated fair values of financial instruments through utilizing already existing, market information and methods of fair valuation. However, making estimation about fair values, through profiting from market information, requires the ability of making comment and judgment. As a result, estimations presented in those financial tables, does not always reflect indicatives of the values that The Company can reach in a current market Exchange.

Despite of the financial lease receivables and borrowings, the fair values of short-term assets and liabilities have been estimated close to their book values since the impact of the discount is irrelevant for the fair value.

Related to the other financial instruments presented with their fair values in the balance sheet, they have been determined through taking into account the current market value of another financial instrument with similar features or the usage of hypothesis methods that include the discounting of future cash flows with the current interest rate.

In the table below, the comparison between fair values and book values of financial instruments driven from their values apart from their fair values in financial tables

	Boo	ok Value	Fair Value			
	31 December 2012	31 December2011	31 December 2012	31 December 2011		
Financial assets						
Banks	47,518,642	-	47,518,642	-		
Trade receivables	99,054,175	-	99,054,175	-		
Financial assets available for sale	462,660	-	462,660	-		
Financial assets held for sale	6,839,529	2,412,210	6,839,529	2,412,210		
Financial liabilities						
Financial liabilities	107,323,735	1,952,451	107,323,735	1,952,451		

28 - FINANCIAL INSTRUMENTS

Fair value of the financial instruments

Fair value hierarchy

The fair values of financial asset and liabilities have been determined as follows:

•First level: Financial assets and liabilities are valued at the stock exchange price in an active market for exactly the same assets and liabilities.

•Second level: Financial assets and liabilities are valued with the inputs used to determine a directly or indirectly observable price other than the stock market price of the relevant asset or liability mentioned in Level 1.

•Third level: Financial assets and liabilities are valued with inputs that cannot be based on data observable in the market and used to determine the fair value of the asset or liability.

31 December 2012	Level I	Level 2	Level 3	Totals
Financial assets held for trading	6,839,529	-	-	6,839,529
Financial assets available-for-sale	-	-	426,660	462,660
31 December 2011	Level I	Level 2	Level 3	Totals
Financial assets held for trading	-	2,412,210	-	2,412,210

29 - SUBSEQUENT EVENTS

i) Ünlü Menkul Değerler A.Ş., subsidiary of the company, has made the application in order to transfer shares of Standard Bank Holdings Limited as the shareholder 13, 86 % ratios within its capital to Standard Bank Group. Moreover, the context of the related application also includes the transfer of shares holed by Kamil Attila Köksal, İbrahim Romano and Güray Zora that equals to the 11,14% ratios of the whole capital to the indirect shareholder "Standard Bank Group Limited". Furthermore, it also includes the permission of the shareholder structure that enables Standard Bank Group Limited to become the direct shareholder of the Company and holder 25% ratios within the capital .CMP has approved the application that covers matters mentioned previously, with the permit numbered 2013-27, dated at 15 August 2013.

ii) Pursuant to subjects declared in Turkey Trade Registry Gazette n. 8233 dated 10 January 2013, the indirect subsidiary Ünlü Portföy Yönetimi A.Ş. had been appointed as the manager of Ünlü Menkul Değerler A.Ş. Serbest Yatırım Fonu. The establishment of Ünlü Menkul Değerler A.Ş. Serbest Yatırım Fonu had come true by CMB, its portfolio had been created and portfolio management service had been started to be provided to this fund by Ünlü Portföy Yönetimi A.Ş.

iii) The titles of Mutual Funds which Ünlü Menkul Değerler A.Ş., subsidiary of the company, stands as founder; "Standard Ünlü Menkul Değerler A.Ş. A Type Variable Fund" and "Standard Ünlü Menkul Değerler B Type Variable Fund" had been changed to "Ünlü Menkul Değerler A.Ş. A Type Variable Fund" due to change in the founder share structure. This change had been declared in Turkey Trade Registry Gazette n. 8310 dated 30 April 2013 following the allowance of T.C. Prime Ministry Capital Markets Board.



Invest In Turkey's Infrastructure

ÜNLÜ & Co organized "Invest in Turkey's Infrastructure" Conference under the patronage of ISPAT (TC Prime Ministry Investment Support and Promotion Agency" on March 28, 2013 in London.

With the attendance of more than 150 investors, the event was a complete success in the process of our country's promotion and recognition.

Invest in Turkey's Infrastructure conference was shaped to answer all the questions investors would have regarding infrastructure projects in Turkey. The half day event turned the spotlight on all the aspects of infrastructure with ministerial address of H.E. Binali Yıldırım, who is the first hand authority to deliver the recent developments within infrastructure sector. Additionally, our panel discussions enabled the attendees to hear the past, present and future of infrastructure projects in Turkey from the top executives of infrastructure companies, financial institutions and legal authorities.

After the panel discussion H.E. Mehmet Şimşek's delivered his thoughts about the economic developments during lunch hour. Invest in Turkey's infrastructure conference was a platform for all interested and potential key stakeholders of the sector. Apart from the fascinating interest from the investors, the event found vast media coverage in Turkey as well.

Türkiye'de driumüzdeki an vers Les 250 milyer dolarik dev projekt Londa skytomi ve energi samnola vapisaci Midmim, "Sizi dünyanın merkezine yatırıma davet ediyorum" dis ATTER ARILAN







Sizi 'dünyanın

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Türkiye'de yılda 70 milyar dolar

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Bakan Yıldırım: Otoyolda tek yöntem halka arz

Türkiye'nin ev projéleri

Londra'da görücüye çıkan projeler





ÜNLÜ & CO ANNUAL REPORT 2012

The images used in this report are the photos of the pieces from $\ddot{\text{U}}\text{NL}\ddot{\text{U}}$ & Co Art Collection

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