

Raising Values



Ahi Evran Caddesi, Polaris Plaza
B Blok, No: 21, Kat: I
34398 Maslak - Istanbul / Turkey
Trade Register Nr: Istanbul-792072
T: +90 212 367 36 36
www.unluco.com

2014 ANNUAL REPORT



ÜNLÜ & Co 2014 ANNUAL REPORT



Introduction

The core feature, which sets us apart from other firms providing investment banking and asset management services is our capability to offer world-class services with deep roots in the Turkish markets. We provide our clients high quality services with a team of over 300 professionals based in Istanbul, the financial center of Turkey. We offer a wide range of investment banking and asset management services to investors, major corporates, financial institutions, blue-chip companies and high-net-worth individuals. We strive for “**Raising Values**” of our clients, employees, investors and overall the financial sector as well as the society we operate in.

Since we established our business in a small office 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. We have always worked to raise the quality of our services and extend our reach to a larger client base. We are determined to continue operating on a greater level every step of the way.

The underlying entrepreneurial spirit of ÜNLÜ & Co has elevated us from a local advisory firm to the “**Leading Investment Banking and Asset Management Group of Turkey**”.*

At ÜNLÜ & Co, we aim to deliver value, identify the best opportunities for our clients, and guide them to achieve sustainable and profitable results. We strive to provide the best possible alternatives for our clients with our understanding of the Turkish economy and international investment banking, consequently strengthening the “**commitment**” between our company and our valued clients.

Our integrated investment banking and asset management services are focused on a sustainable growth strategy both for our own organization and our clients. We see entrepreneurship, client dedication, determination, expertise, teamwork and commitment as the key pillars of our business.

We believe that we have played and will continue to play an important role to take Turkey towards its goal of becoming one of the top ten economies of the world by 2023. Since the foundation of our business, we have been dedicated to promoting Turkey and Turkish corporates to the international investors. During the late

90s, not many investors were aware of the opportunities the Turkish market offered. We organized the first road-shows to corporates in Europe, the USA and the Middle East to introduce Turkey's potential. Now, as Turkey has become a more stable and thriving market, most of the investors from around the globe are interested in investing in our country and we are here to support them with our services.

We provide diverse solutions from corporate finance advisory to equity capital markets, from debt finance advisory to global markets, from private equity advisory to institutional sales and brokerage services, from portfolio management to non-performing loans businesses, under one brand.

With our proven track record in Turkey, our vision is to become the best investment banking services and asset management group in our region.

* WEALTH & FINANCE INTERNATIONAL
FINANCE AWARDS 2014
Investment Advisory Firm of the Year - Turkey



CONTENTS

2	Introduction
4	Contents
6	Letter from the Chairman
8	Letter from the Deputy Chairman and General Manager
10	ÜNLÜ & Co
12	Company Profile
14	Organization Chart
16	Our Genes
18	ÜNLÜ & Co Board of Directors
20	ÜNLÜ Securities Board of Directors
22	Senior Management
24	History and Our Milestones
26	Awards
27	Financial Highlights
29	Investment Banking Services
31	Corporate Finance Advisory
35	Debt Capital Markets & Advisory
39	Institutional Sales & Brokerage
41	Research
43	Global Markets
45	Asset Management Services
47	ÜNLÜ Alternatives
49	Portfolio Management
51	İSTANBUL Varlık
53	PLATO Finans
53	DUFDAŞ
55	MENA Finans
57	212 Capital Partners
58	Corporate Social Responsibility
62	ÜNLÜ & Co in the Press
65	Corporate Governance & Risk Management Policies
66	Annual Activity Report of the Board of Directors
72	Independent Auditor's Report and Financial Statements



LETTER FROM THE CHAIRMAN

Our mission is to build a strong and long-lasting bridge between the investors and the corporates.

2014 was an eventful year with a very busy agenda. Political developments, rising geopolitical risks, shifting inflationary trends and Central Bank monetary policy discussions, impact of potential interest rate increases in developed markets on EMs and the plunge in oil prices especially during last part of the year defined markets in 2014.

2014 was a year of shifting trends. With rising political uncertainties and the deterioration in political stability during the first half of the year, Turkish Lira rapidly devalued parallel to other emerging market currencies. In order to respond to the continuous TRY devaluation, the Central Bank of Turkey announced a substantial policy rate hike at the end of January. Sell-off trend in financial markets that started at the last quarter of 2013 continued in the first two and a half months of 2014.

From mid-March onwards, with a stabilized TRY and the expectation that political stability would persist following the results of the local elections, Turkish financial markets entered into a positive phase. Central Banks of developed countries also contributed positively to this trend by maintaining their supportive monetary policies. Turkish Lira became the best performing EM currency throughout this period and MSCI Turkey index gained 40% in value compared to the 12% increase in the MSCI EM index.

After July, doom and gloom mood overtook the financial markets for almost two months mainly due to the rising geopolitical risks, particularly escalating tension between Russia and the Ukraine, and the invasion of Mosul and Kobani by ISIS. Rising concerns that the FED may initiate rate hikes earlier than initially expected on the back of positive data flow in the US further dampened the mood.

In the last quarter of the year, the plunge in oil prices propelled Turkish markets into another positive divergence period in parallel with the improvement in the current account deficit and growth forecasts.

Although the financial markets were off to a poor start in 2014, they completed the year on a positive note. While 2014 was a tough year for Turkey, our firm completed significant transactions in the second half of the year. On the M&A side, we advised Yıldız Holding on the acquisition of

one of the world's leading biscuits producers, United Biscuits, for USD 3.2 billion. As the largest acquisition of a foreign company by a Turkish institution, the transaction received worldwide coverage in the markets. We led the way in the local bond market by executing TRY 400 million bond issuance of Gözde Girişim, the largest issuance to date of a Turkish corporate. In all the transactions that we advised, we continue to focus on our mission to build a strong and long-lasting bridge between the investors and the companies.

Looking at 2015; Central Bank policies, the course of oil prices, geopolitical developments in Turkey's hinterland and more importantly the general elections that will be held in June will determine the pace of economic recovery and the trend in financial markets.

ECB's expansionary monetary policy, the timing and the pace of the FED's interest rate hike process and the oil price trends will determine the direction of global markets in 2015. In the domestic market, the monetary policy of Turkish Central Bank and TRY's reaction after potential interest rate cuts will be the critical drivers.

Nevertheless, besides all these significant issues, the general elections to be held in June comes into prominence as being the most important source of uncertainty in 2015. Although the election results will be critical in shaping the Turkish financial markets, it is our hope that the policies that helped Turkey to become a leading emerging market will continue to be followed and built upon by the new government.

We wish 2015 to be another positive year for our clients and our group. We believe that we will continue to achieve the best by building bridges between the investors and the investment opportunities. I would like to take this opportunity to express my deepest thanks to my colleagues who endeavored continuously towards our goals, to our clients for entrusting us on the financial decisions of their businesses and to all our business partners with whom we worked throughout the years. I hope that 2015 will be a successful year for all of us.

Mahmut L. ÜNLÜ
Chairman and CEO



Even though 2014 was a tough year for Turkey, as ÜNLÜ & Co we completed important transactions in the second half of the year.

LETTER FROM THE DEPUTY CHAIRMAN AND GENERAL MANAGER

The number of people in ÜNLÜ & Co family increased from 286 to 310 by the end of 2014. Our efforts were rewarded with 8 awards in 2014 and we were nominated as one of the 'National Champions' of Turkey in the European Business Awards.

We feel proud of completing another challenging year in 2014 with successful results. The institutionalization process that has gained momentum in 2013 continued and we achieved better results in our operations, human resources and corporate communication activities, which make us look forward more confidently.

The number of people in ÜNLÜ & Co family increased from 286 to 310 by the end of 2014. We continue to attract the best talent, capable of providing the most suitable and rapid solutions for our clients. We also continued to find and hire younger talents with our Management Trainee (MT) program.

In 2014, we came a long way and had a successful year in Corporate Communications. We improved ourselves significantly compared to previous years in terms of our internal and external communications, accurate and punctual information sharing, communication and coordination with our business partners. We managed to make our brand, our activities and achievements more visible. We organized various events in Turkey and abroad for our business partners. We successfully accomplished the Annual Turkish Banks' CEO Day in London and sponsored the 'Euromoney Eurasia' and 'Bonds & Loans & Sukuk' conferences. We were rewarded with 8 awards in 2014 and were nominated as one of the 'National Champions' of Turkey in European Business Awards.

We continue to invest in technology. Through ÜNLÜ Research Application, our research reports reached to a broader customer base via Apple tablets and smartphones and our efforts to extend this application are underway with other new projects.

Our retail debt servicing company PLATO Finans moved to its new office in 2014. We completed this difficult and important move successfully without facing any major business disruption and I personally believe that in 2015 we will see the positive contribution of this change to our efficiency and profitability.

By building bridges between the investors and the investment opportunities, we successfully continued our mission of contributing to the economy.

Although it has been a tough year for the market, we successfully advised on the transaction of United Biscuits, which was the largest cross border acquisition by a Turkish company so far and we also underwrote the largest corporate TRY bond issuance to date.

In line with our group's growth strategy in every aspect and to maintain our market leader position, we also concentrated on expanding our credit lines with major Turkish banks and we increased our cash credit limit by 50% from TRY 100 million to more than TRY 150 million. We are committed to using these limits in the most efficient way to support our group's growth strategy.

In 2014, we did not forget either our commitment to fulfill our social responsibilities or to contribute to the social life; we continued to demonstrate our sensitivity for social events by taking a significant role in supporting different social responsibility projects such as Entrepreneurship Association, Kagider, Koruncuk Association and Soma.

I would like to congratulate all my colleagues in our product groups, who offered tailor-made solutions for our clients, as well as all colleagues in our support functions, who did their best to enable our product groups to achieve their objectives. I am very confident and have no doubt that as ÜNLÜ & Co family members we will all be putting our energy and strength as always, to provide the best results in 2015 and take ÜNLÜ & Co one step further towards its goals. This year, while maintaining our leading position in investment banking and asset management services in Turkey, we are also planning to take concrete steps to expand our activities regionally in the EMEA region as well as in the local brokerage services.

Finally, I would like to wish wholeheartedly that 2015 would be a successful, prosperous, happy and healthful year for our country, our group, employees, clients, social stakeholders and humanity.

Can ÜNALAN
Deputy Chairman and General Manager



I would like to congratulate my colleagues in all product groups, who have offered tailor-made solutions to our clients, as well as all colleagues in support functions who have done their best to enable our product groups to achieve their objectives.

OUR VISION

IS TO BECOME THE LEADING INVESTMENT BANKING SERVICES PROVIDER AND ASSET MANAGEMENT GROUP IN THE REGION.

OUR MISSION

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

OUR STRATEGY

IS TO KEEP OUR LEADING POSITION VIA DEVELOPING OUR CORPORATE BUSINESS PRINCIPLES AND MANAGEMENT MENTALITY TO ACHIEVE OUR BUSINESS DEVELOPMENT GOALS AND ENSURE A SUSTAINABLE ACHIEVEMENT.



U BEIN BRIDGE / MYANMAR

COMPANY PROFILE

ÜNLÜ & CO - TURKEY'S LEADING INVESTMENT BANKING SERVICES AND ASSET MANAGEMENT GROUP

Founded in 1996, as an independent financial advisory firm, ÜNLÜ & Co transitioned itself into a leading investment banking services and asset management group today. With our unrivalled professional network and outstanding service abilities, we provide innovative solutions to our clients' needs with our world-class capabilities in corporate finance advisory, debt capital markets & advisory, equity capital

markets, global 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 300 professionals in our office based in Istanbul. We are dedicated to maximize the benefits and satisfaction of our worldwide customers.

Our services are focused on two different core businesses:

INVESTMENT BANKING SERVICES

- Market leader, in M&A
- Dominant player in ECM transactions
- Innovative track record at DCM products & services
- Global markets capabilities in equity sales and trading, derivatives and structured solutions

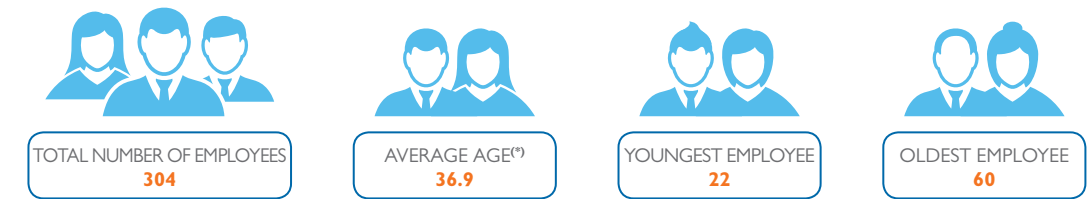
ASSET MANAGEMENT SERVICES

- Fast growing platform diversified across several asset classes
- Predominantly institutional investor base
- Leading management of non-performing loan
- Private Equity Advisory
- Turkey dedicated largest early stage technology fund
- Established platform of wealth and asset management
- Financial services platform dedicated to MENA investors

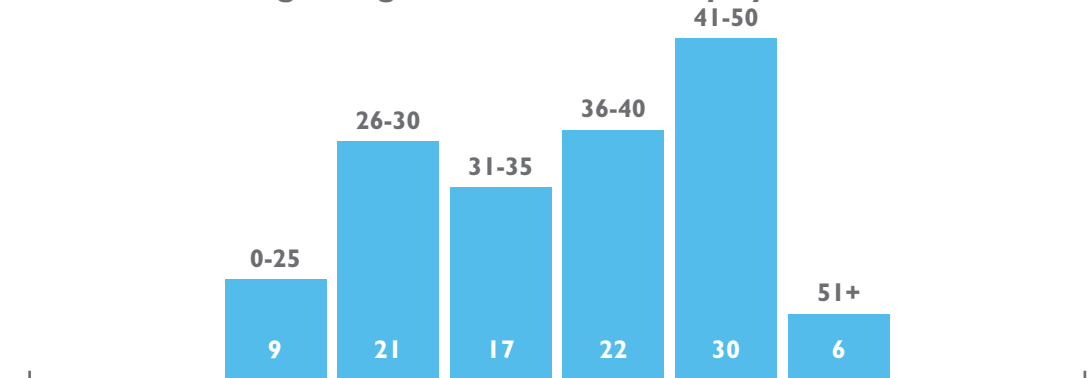
We value our employees, clients environment, community that we live in, and aim to raise value of all the parties working with the company.

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. At ÜNLÜ & Co, we take active part in working for the growth of Turkish economy, in development of the entrepreneurial spirit with our employees, our board members and all of our business partners.

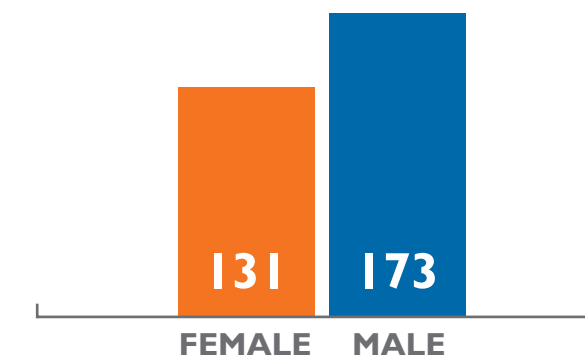
EMPLOYEE PROFILE



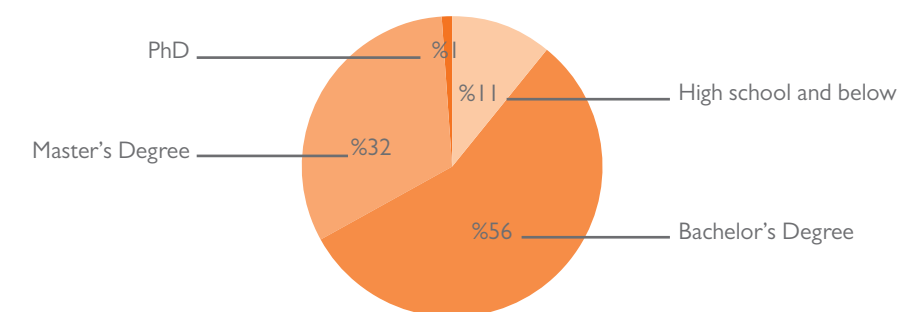
Distribution of Age Range and Number of Employees*



Gender Distribution



Level of Education*



Employee Commitment*

Average employment period within the group : 4 years 9 months
Overall average professional experience : 12 years 9 months

*EXCLUDING PLATO FINANCIAL SERVICES A.S.

ORGANIZATION CHART

AUDIT

MAHMUT L. ÜNLÜ
CHAIRMAN & CEO

CAN ÜNALAN
DEPUTY CHAIRMAN & GENERAL
MANAGER

INVESTMENT BANKING SERVICES

CORPORATE
FINANCE
ADVISORY

DEBT CAPITAL
MARKETS &
ADVISORY

INSTITUTIONAL
SALES &
BROKERAGE

COVERAGE

RESEARCH

GLOBAL
MARKETS

ASSET MANAGEMENT SERVICES

ÜNLÜ
ALTERNATIVES

İSTANBUL
VARLIK

ÜNLÜ
PORTFOLIO
MANAGEMENT

DUFDAS

PLATO
FINANS

MENA FİNANS

212 CAPITAL

SUPPORT FUNCTIONS

OPERATIONS

ACCOUNTING

INTERNAL
CONTROL

INFORMATION
TECHNOLOGIES

ADMINISTRATION

FINANCIAL
REPORTING &
MIS

OWN
FUNDS

HUMAN
RESOURCES

COMMUNICATIONS
& MARKETING

COMPLIANCE

OUR GENES

EILEAN DONAN CASTLE / SCOTLAND

CLIENT DEDICATION

Creating “the best alternative for the client” is one of the strongest underlying fundamentals of all ÜNLÜ & Co solutions.

ENTREPRENEURSHIP

The whole value added solutions of ÜNLÜ & Co presented to its clients are derived from the company’s entrepreneurial spirit.

DETERMINATION

ÜNLÜ & Co strives for successful results with all of its resources, collective devotion and focus, and demonstrates sheer determination for the desirable outcome.

EXPERTISE

ÜNLÜ & Co shows complete awareness in all solution phases with its team of professionals who are competent and leading experts in their fields.

TEAMWORK

ÜNLÜ & Co’s business models are based on synergistic efforts of different teams concentrating on client’s needs by setting joint targets in the most professional and colligate fashion.

COMMITMENT

ÜNLÜ & Co embraces commitment, loyalty and sustainability both within the ÜNLÜ & Co family and among its clients. Stability resulting from the ownership is a key pillar for ÜNLÜ & Co.

ÜNLÜ & Co

BOARD OF DIRECTORS



MAHMUT L. ÜNLÜ / Chairman

Mahmut 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 started his career in 'İktisat Bankası', a Turkish merchant bank in Corporate Finance in 1991. He then moved to Yatırım Bank, Turkey's first investment bank, and set up the Bank's Corporate Finance, Research and International Capital Markets businesses subsequently serving as Assistant General Manager between 1992 and 1995. In 1996, he left Yatırım Bank to co-found Dundas Ünlü, a pioneer in M&A advisory. Mr. Ünlü served as Managing Partner and latterly as the CEO and built Dundas Ünlü into the leading investment banking and asset management group in Turkey. He formed a strategic partnership with Standard Bank Group London Holdings in 2007, called "Standard Ünlü" and served as the Deputy Chairman and CEO. He was also a member of the International Executive Committee of Standard Bank between 2008 and 2012. In 2012, he formed 'ÜNLÜ & Co' to acquire 75% stake of Standard Ünlü as well as to control stakes in various asset management businesses and is currently serving as the Chairman and CEO.



CAN ÜNALAN / Deputy Chairman

Can Ünalán graduated from the management department of İstanbul University in 1985, majoring in finance and received an MBA degree from Marmara University in 1986. Mr. Ünalán worked at ABN AMRO Bank between 1993 and 2006, holding various positions ranging from CRO (Chief Risk Officer), CEO and Board Member, to COO (Chief Operations Officer). Being a member of Country Credit Committee and ALCO, Mr. Ünalán actively participated in the management positions within the organization. In 2006, Mr. Ünalán joined Garanti Bank – GE Capital partnership and was responsible from Corporate and Commercial Risk Committee. Before joining ÜNLÜ & Co, Mr. Ünalán was acting as the Turkey CEO in Mubadala GE Capital. He is now acting as the Deputy Chairman of ÜNLÜ & Co and General Manager of ÜNLÜ Securities as of June, 2013.



İBRAHİM ROMANO / Member

İbrahim Romano graduated from Boğaziçi University Economics Department in 1992 and attended International Relations Program at İstanbul 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 Manager at Dundas Ünlü between 1996 and 2002. He is serving as the Managing Director of the Corporate Finance Advisory Department at ÜNLÜ & Co.



SELÇUK TUNCALI / Member

Selçuk Tuncalı graduated from the Mechanical Engineering department of Boğaziçi University in 1989 and obtained an International Management degree from İstanbul University and an MBA degree in finance from Rice University, Houston in 1992. He started his career as a Credit Marketing 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 the company in 2002 and currently serves as the General Manager of İSTANBUL Varlık, the Non-Performing Loan business of ÜNLÜ & Co.

ÜNLÜ SECURITIES BOARD OF DIRECTORS



MAHMUT L. ÜNLÜ / Chairman

Mahmut 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 started his career in 'İktisat Bankası', a Turkish merchant bank in Corporate Finance in 1991. He then moved to Yatırım Bank, Turkey's first investment bank, and set up the Bank's Corporate Finance, Research and International Capital Markets businesses subsequently serving as Assistant General Manager between 1992 and 1995. In 1996, he left Yatırım Bank to co-found Dundas Ünlü, a pioneer in M&A advisory. Mr. Ünlü served as Managing Partner and latterly as the CEO and built Dundas Ünlü into the leading investment banking and asset management group in Turkey. He formed a strategic partnership with Standard Bank Group London Holdings in 2007, called "Standard Ünlü" and served as the Deputy Chairman and CEO. He was also a member of the International Executive Committee of Standard Bank between 2008 and 2012. In 2012, he formed 'ÜNLÜ & Co' to acquire 75% stake of Standard Ünlü as well as to control stakes in various asset management businesses and is currently serving as the Chairman and CEO.



MARTIN BOTHA / Deputy Chairman

Martin Botha graduated from University of Cape Town in 1979 with a BSc in Engineering. Mr. Botha started his career as an engineer and got involved in engineering surveying in the Middle East and Africa for 4 years through a company he helped to establish. His banking career commenced with Nedbank's Treasury in Johannesburg before moving to Kleinwort Benson in London after the South African debt default. He joined Standard Bank's London businesses in 1988 and has led the development of numerous business areas, including the bank's natural resources franchises, as well as various geographic expansion initiatives. He is serving as the Deputy Chairman of the Board of Directors at ÜNLÜ Securities.



ATTILA KÖKSAL / CFA - Member

Attila Köksal graduated from Boğaziçi University Mechanical Engineering Department in 1983 and received an MBA Degree from Drexel University, Philadelphia in 1985. He worked as General Manager at Inter Yatırım A.Ş. between 1991 and 1996 and fulfilled the role of CEO between 1996 and 2001. He acted as the General Manager of Dundas Ünlü, Standard Ünlü and ÜNLÜ & Co, the new partnership, between 2002 and 2013. Now he is serving as Board Member of ÜNLÜ Securities.



**ŞEBNEM KALYONCUOĞLU ÜNLÜ / Member
(ÜNLÜ Finansal Yatırımlar A.Ş. Representative)**

Şebnem Kalyoncuoğlu Ünlü has an MSc degree in International Accounting and Finance from London School of Economics and a BA degree in Management from Boğaziçi University. Mrs. Ünlü started her career at ABN AMRO Bank in Turkey, where she was Vice President of Structured Finance. After that she joined Credit Suisse in London, covering Turkey in the Emerging Markets Coverage Group, followed by working as the Country Manager and Head of Investment Banking at Credit Suisse in Turkey and as the CEO of Alkhair Capital Turkey (formerly Unicorn Capital Turkey). Currently Mrs. Ünlü acts as the CEO of MENA Finans and additionally she is a Board Member of ÜNLÜ Securities as a representative of ÜNLÜ Finansal Yatırımlar A.Ş.

SENIOR MANAGEMENT

LEFT TO RIGHT (Standing)

Hakan Ansen (Global Markets, Director), Utku Özay (ÜNLÜ Alternatives, Managing Director), Batur Özyar (Institutional Sales & Brokerage, Managing Director), Selçuk Tuncalı (Board Member at ÜNLÜ & Co and General Manager of İSTANBUL Varlık), Tunç Yıldırım (Institutional Sales & Brokerage, Managing Director), Murat Gülkan (ÜNLÜ Portfolio Management, Managing Director), Ayşe Akkın (Debt Capital Markets & Advisory, Managing Director), Burak Dedeler (ÜNLÜ Alternatives, Director), Erdem Selim (Debt Finance & Advisory, Managing Director)

LEFT TO RIGHT (Standing)

Esra Korkmazarslan (General Manager of DUFDAŞ), Vedat Mizrahi (Research, Managing Director), Simge Ündüz (Corporate Finance, Managing Director), Burak Yağcıoğlu (CEO of PLATO Finans), Tuncay Kuli (Chief Operations Officer), Kağan Çevik (Institutional Sales & Brokerage, Managing Director), Kerem Göktan (ÜNLÜ Alternatives, Director), Mehmet Sezgin (Corporate Finance, Managing Director)

LEFT TO RIGHT (Front Row)

Can Ünalın (Deputy Chairman of ÜNLÜ & Co and ÜNLÜ Securities General Manager), Mahmut L. Ünlü (Chairman and CEO of ÜNLÜ & Co)

LEFT TO RIGHT (Front Row)

Şebnem Kalyoncuoğlu Ünlü (Board Member of ÜNLÜ Securities and CEO of MENA Finans), Attila Köksal (CFA - Board Member of ÜNLÜ Securities)

HISTORY AND MILESTONES

TODAY, ÜNLÜ & CO CARRIES ON ITS CONTINUED SUCCESS AS THE LEADING INVESTMENT BANKING SERVICES AND ASSET MANAGEMENT GROUP OF TURKEY SINCE ITS ESTABLISHMENT IN 1996.

Dundas Ünlü & CO founded as a boutique M&A advisory firm

Originally established in 1996 in Istanbul as Dundas Ünlü & Co, our company has been a leading provider of mergers and acquisitions advisory in Turkey for local and global investors. Dundas Ünlü & Co pioneered the development of the mergers and acquisitions advisory market in Turkey.

1996

Established Non Performing Loans (NPL) business unit and initiated asset management services

Fixed income department was established in 2003, 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 with breadth of capabilities offering full investment banking services to meet its clients' needs.

2003

2002

With the acquisition of a local brokerage firm, capabilities in investment banking expanded

In 2002, Dundas Ünlü & Co acquired Işıklar Menkul, a local broker-dealer, and began to expand its corporate finance activities into other areas of investment banking services.

2005

The products offered were developed and new service lines were added

A significant milestone was set in 2005, when Dundas Ünlü 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 pioneering corporate distressed asset servicing company in Turkey. Tahincioğlu Group became a shareholder in Dundas Ünlü in 2005 to contribute to the growth of the company. Institutional Sales & Brokerage department was founded in 2005, which is currently among the top ten brokers servicing international institutional clients.

DU Private Equity Fund was launched. A partnership agreement was concluded with Standard Bank

Du Private Equity Fund, which is one of Turkey's leading private equity funds, was founded in 2006. In addition to these activities, the company underwrote the first corporate bond issue in the last ten years in Turkey. While following the growing success of Dundas Ünlü Standard Bank became a partner in 2007 by acquiring majority of the shares from Alasdair Dundas and Tahincioğlu Group. With the change in partnership structure, the company was renamed as "Standard Ünlü" and restructured as it reached to a global network and gained variety of new products especially in the field of debt finance. With the combined strength of two businesses, Standard Ünlü became the leader in investment banking services and asset management in Turkey.

2006-2007

2009

Retail and SME NPL business units were launched

In September 2009, PLATO Finansal Danışmanlık Servisleri A.Ş. was established to provide services in retail and micro SME NPL portfolios.

2011

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

Standard Varlık, which was founded in 2009, was acquired and renamed as İSTANBUL Varlık. 212 Capital Partners company providing venture capital funds for the technology, internet and communication start-up companies was established in 2011. 212 Capital Partners set up with the pioneers of technology investors and executives in Turkey targets to support entrepreneur companies which would like to invest in vertical markets including software, social gaming, e-commerce, mobile, social media and cloud computing.

Group name was changed as ÜNLÜ & Co and MENA Finans was established

In October 2012, the company was restructured as ÜNLÜ & Co (ÜNLÜ Finansal Yatırımlar A.Ş.) acquired 75% of Standard Ünlü's shares. As the first step of regional expansion, MENA Finans was founded to focus on investments in the Middle East and North Africa. Standard Varlık with its new name İSTANBUL Varlık, grew 40% in 2 years by improving its relations with the banks. As part of the policy to improve portfolio management products, a new hedge fund was initiated.

2012-2013

2014

Regional investment banking services were initiated while maintaining the leading position in Turkey

Having become a leader in M&A transactions through achieving USD 3.7 billion volume in 2014, ÜNLÜ & Co also intermediated the largest foreign company acquisition ever. Within the field of Debt Capital Markets & Advisory, ÜNLÜ & Co completed the year as the only independent investment firm by achieving TRY 805 million transaction volume and 24% market share, in addition to its remarkable closing of the largest private sector bond issue. ÜNLÜ Portföy on the other hand became the fastest growing portfolio management company by achieving 474.8 % growth in 2014. Our office in Singapore was set up and concrete steps have been taken for our expansion in the Middle East and rest of the region.

AWARDS



FINANCIAL HIGHLIGHTS

After growing 4% in 2013, Turkish economy started off 2014 under the shadow of the political turmoil experienced at the end of year. With the impact of Central Bank of Turkey's (CBT) 550bps policy interest rate hike at the end of January to curb the depreciation of TRY and the macro prudential measures taken at the beginning of the year, the major indicators of domestic demand revealed signs of decelerating economic activity. On the other hand, depreciation of TRY contributed to the economic growth by increasing Turkey's competitiveness in export markets. Even though, the Turkish economy slowed down in 2014, it continued to grow and completed 2014 with a 2.9 percent growth rate paralleling to our expectations.

In 2014, one of the major economic developments was the rapid improvement in Turkey's current account deficit (CAD). The macro prudential measures such as the limitations on loan maturities, credit card limits, and number of installments, introduced in the new-year led to a decline in imports while the depreciation of TRY positively contributed to exports and, the most important of all, the rapid fall in crude oil prices, altogether, drove down the CAD by 40% from USD 65bn levels in 2013. The crude oil prices which fluctuated between USD 110-120 range in the first six months of 2014, dropped down below USD 60 led by the slowdown in the global economy and increasing crude oil supply by major crude oil producers such as Saudi Arabia.

While Turkey's CAD made it to the next year with noticeable recovery, CPI inflation outlook failed to impress. The impact of depreciation of TRY on exchange-rate pass through and the negative effect of drought conditions on agricultural production and food inflation, derailed CPI inflation to run above CBT's year-end and mid-term target range. However, with the decline in crude oil prices incorporated into the energy bill in the last quarter, the year-end CPI inflation print registered at 8.2%. We expect this downward pressure in CPI inflation to continue in 2015 with a 6.5% print in the first 6 months and a 7% print at the year-end.

After the Municipal and Presidential elections in 2014, the expectations of long-term political stability and CBT's tight monetary policy to mend CAD and defend local currency facilitated Turkey to preserve

its Investment Grade status. However, international credit rating agencies, Moody's and Standard & Poor's, downgraded Turkey's credit rating from "neutral" to "negative".

In 2014, the foremost issue concerning the world economy and the capital markets were again FED tapering and the expectations on interest rates. Triggered by the marked improvement in the US employment and growth, the first tapering steps were taken in December 2013 and the tapering program was finalized in October 2014. Opinions on FED's interest rate hike in 2015 vary based on leading economic indicators of both the American and the global economy. Currently, the dominant view in the market is that FED will not increase the interest rates before April 2015 and will pull the trigger on interest rates for the first time in the last quarter of 2015. Therefore, it's probable that FED's actions on monetary policy will be one of the crucial factors that drive both global and local market conditions in 2015.

Another foremost issue concerning the Turkish economy was the rising geopolitical risks in Russia, Iraq and Syria. We expect the developments in these regions to continue to remain as an important risk factor for both Turkey and other regional economies given that it is unlikely for these political tensions to be resolved in the short-term.

There are many alternative scenarios for the Turkish economy in 2015. In our base case scenario, we expect a 3.2% economic growth to be fully materialized driven by interest rate cuts and the acceleration in private consumption.

The gradual materialization of the drop in crude oil prices will drive down the CPI inflation and ease CBT's hand to cut policy rates. The pick-up in domestic demand and increase in government expenditures to boost economic activity prior to the general elections that will be held in June 2015 will spur economic growth with a 3.2% print for the full-year. The major risk for 2015 will be Federal Reserve's interest rate decisions. The timing and the size of the interest rate hike may cause sharp depreciation of TRY and other emerging market currencies compelling Central Banks to hike up the interest rates, in response.

INVESTMENT BANKING SERVICES



MOSTAR BRIDGE / BOSNIA & HERZEGOVINA



CORPORATE FINANCE ADVISORY

ÜNLÜ & CO MAINTAINED ITS LEADING POSITION IN THE M&A MARKET IN 2014, COMPLETING IN TOTAL TRANSACTIONS AMOUNTING TO USD 3.7 BILLION WHICH INCLUDED THE LARGEST EVER FOREIGN ACQUISITION BY A TURKISH COMPANY.

As a major pillar of ÜNLÜ & Co, Corporate Finance Advisory Department provides advisory on mergers and acquisitions and equity capital market transactions to the leading firms of Turkey and the world with its extensive knowledge of local markets and global expertise. With a seasoned management team boasting an average of 15 years of M&A experience, the team is committed to working in a collegiate fashion and help the clients reach their goals.

With its international mergers & acquisitions experience, ÜNLÜ & Co has a leading position amongst other local and foreign investment banks and advisors on both buy-side and sell-side transactions since 1998. These services include cross-border acquisitions and partnerships, private equity transactions and different kinds of transactions on the buy side.

Some of the successful projects completed by ÜNLÜ & Co Corporate Finance Advisory in the previous years include: Godiva's (the leading premium chocolate and chocolate products brand) acquisition by Ülker for USD 850 million; Defy's (the leading white goods producer in South Africa) acquisition by Arçelik from Koç Group; YKM's (Turkey based company engaged in operating and franchising department stores) acquisition by Boyner Group and the acquisition

of 30% share of Kent Gıda to Cadbury Schweppes. ÜNLÜ & Co also proved its success in privatizations as in the case of İDO (Istanbul Fast Ferries Co.) privatization by advising the Souter Investment LLP, who participated in the Turkish consortium partners and won the privatization tender for USD 861 million.

On the capital markets side, ÜNLÜ & Co acted as an advisor in the following transactions: initial public offering of 18.4% shares of TAV Airports valued at TRY 445.6 million; secondary public offering of Akfen Holding for USD 276 million, Bizim Toptan IPO for USD 255 million and private placement for Ülker Bisküvi (Yıldız Holding) 20% of its shares at a value of USD 435 million.

PİMAŞ'S ACQUISITION BY DECEUNINCK

Deceuninck, the Belgium based PVC systems and profiles giant acquired 81.23% of the shares of Pimaş for TRY 57.7 million. ÜNLÜ & Co contributed to the transaction as the financial advisor of Deceuninck. As it was the third acquisition of Deceuninck and they have a strong, rooted relationship with ÜNLÜ & Co, this transaction was particularly important for the department. Following the transaction, ÜNLÜ & Co Corporate Finance Advisory also mediated the gathering of 6.4% portion of Pimaş's public shares through call forcing.

TRIFT BRIDGE / SWITZERLAND

Another significant transaction in 2014 was focusing on energy / infrastructure industry, a strategic priority for ÜNLÜ & Co. Partners Group, the global private markets investment manager, has acquired a 30% stake in Turkish natural gas distributor Enerya on behalf of its clients. The stake was acquired from Enerya's parent company, Turkey's STFA Group, which continues to hold the remaining equity. With a total of EUR 30 billion actives, Partners Group operates with 18 offices in different countries including USA and India. Enerya, on the other hand, distributes natural gas to 11 cities in Turkey. As of the end of 2014, Enerya achieved more than 800.000 subscribers, TRY 1.5 billion turnover and 2.8 billion cbm distribution volume.

As the sole advisor of STFA Yatırım Holding, ÜNLÜ & Co strengthened its leading role in energy / infrastructure industry, a relatively new field for capital markets in Turkey.

DOSU MAYA ACQUIRED BY LESAFFRE GROUP

Another important transaction closed by ÜNLÜ & Co's Corporate Finance Advisory department involved an acquisition by Lesaffre Group. Dosu Maya, a leading yeast manufacturer in Turkey was sold to Lesaffre Group, the French based yeast giant Lesaffre Group for an enterprise value of USD 200 million. Dosu Maya is one of the leading Turkish bakery yeast producers with 20% market share in domestic market. Lesaffre is one of the largest yeast producers in the world with more than 80 subsidiaries in over 40 countries. The group has 49 production facilities and 39 sales offices. The group was operating in Turkey under Özmaya brand. As the sole advisor to seller side, ÜNLÜ & Co managed a competitive process and took an important part in the realization of transaction compliant with the expected levels.

UNITED BISCUIT'S ACQUISITION BY YILDIZ HOLDING

ÜNLÜ & Co's Corporate Finance Advisory Department completed 2014 with a unique project which marked the leading position of the company. United Biscuits, the top firm in biscuits market of England with 26% market share was acquired by Yıldız Holding for GBP 2 billion. The transaction defined the new top point in M&A transactions in many aspects. Yıldız Holding broke its previous record of 2008 transaction (Yıldız Holding acquired Godiva) with the "largest foreign acquisition transaction made by a Turkish company".

With a total of 31 food and non-food group companies, Yıldız Holding achieved TRY 15.7 billion turnover in 2013. With 48,100 employees, Yıldız Holding became one of the top 3 biscuit manufacturer in the world after this transaction. Yıldız Holding aims to grow as a global player in the industry. The first global milestone for the company was the acquisition of the famous Godiva brand in 2008 and ÜNLÜ & Co had acted as an advisor for Yıldız Holding in that transaction as well.

With another international bank, ÜNLÜ & Co acted as the financial advisor to Yıldız Holding in this acquisition. Yıldız Holding was following United Biscuits closely since 2008. The Company had previously defined the advisors and teams to be worked in due diligence process. ÜNLÜ & Co established a special team, particularly specialized in food industry to deliver the transaction in just 10 weeks with the cooperation of other advisors.

Thanks to this approach, the transaction concluded in a relatively shorter time despite the harsh competitive environment caused by global competitors.

2014 TRANSACTIONS

August 2014

deceuninck

acquired 81.23% stake of

PIMAS

for TRY 57.7 million.

ÜNLÜ & Co

September 2014

Enerya

Partners Group of Switzerland, became a partner to Enerya (Enerya Gaz Dağıtım A.Ş.), which carries out the activities of STFA Group in energy industry.

Partners Group
Passion for Private Markets

ÜNLÜ & Co represented STFA Holding in Partners Group - Enerya partnership process.

ÜNLÜ & Co

November 2014

UB
United Biscuits

have sold its 100% stake to

YILDIZ ★ HOLDING

ÜNLÜ & Co acted as the advisor to Yıldız Holding.

ÜNLÜ & Co

December 2014

DOSU MAYA
MAYACILIK A.Ş.

was acquired by

LESAFFRE GROUP

for USD 220 million

ÜNLÜ & Co acted as the exclusive financial advisor to Dosu Maya Mayacılık A.Ş.

ÜNLÜ & Co

ÜNLÜ & Co Corporate Finance Advisory department aims to continue their leading position in corporate finance throughout 2015 and is currently working on 20 different M&A transactions which are undisclosed.

Finance department aims to complete at least five acquisitions and two capital market

transactions in 2015 and focus on especially consumer products, infrastructure and energy sectors. Forecast a balance both in terms of buy side and sell side advisory roles and strategic & financial investor types in 2015 while targeting to reach the highest transaction volume ratios both in M&As and ECM despite the general elections to be held in 2015.



DEBT CAPITAL MARKETS & ADVISORY

ÜNLÜ & CO CONTINUED TO LEAD THE RAPIDLY GROWING DOMESTIC TURKISH LIRA CORPORATE BOND MARKET. WITH TRY 805 MILLION IN NEW ISSUES AND 24% MARKET SHARE, ÜNLÜ & CO CONCLUDED THE YEAR AT THE TOP OF THE LEAGUE TABLES.

ÜNLÜ & Co Debt Capital Markets & Advisory department provides financing solutions to its clients by gathering all debt finance products and advisory competencies under one platform. The holistic approach of the business allows the clients to receive innovative, creative and long lasting solutions.

With strong financial resources resulting from its deep and long term relations with investors, Debt Capital Markets & Advisory department offers financial advisory and intermediary services, including local and international bond issues; syndication loans; and acquisition, project and mezzanine finance; in order to provide tailor-made

solutions to any financing needs of its clients. In addition, the department acts as the exclusive advisor to Standard Bank PLC in corporate loan transactions for local companies.

LEADER IN THE TURKISH BOND MARKET

ÜNLÜ & Co is one of the pioneers of corporate bond issuance in the local debt capital markets. With a total volume of TRY 805 million in corporate bond issuances and 24% market share, ÜNLÜ & Co concluded the year at the top of the league tables. ÜNLÜ & Co was also the only independent investment firm among the top five based on both volume and number of transactions.

COMPLETED SIX BOND ISSUANCES AND RECEIVED THE LOCAL BOND DEAL OF THE YEAR AWARD

In 2014, ÜNLÜ & Co lead managed six bond issues for its clients including Karsan, Demirer Enerji, Ayen Enerji and Gözde Girişim. The TRY 100 million bond issuance for Karsan, which took place in the first half of the year, was selected as the “Bond Issue of the Year” by leading representatives of the industry at Bonds & Loans awards. In December 2014, Gözde Girişim’s issuance, which introduced Yıldız Holding to the debt capital markets for the first time, was marked as the largest corporate bond issue to date in

the domestic markets with TRY 400 million. With these transactions, ÜNLÜ & Co once again demonstrated its success in evaluating and managing investor expectations while positioning the issuance.

In 2015, ÜNLÜ & Co aims to maintain its leadership in both debt capital markets and financial advisory services. It is currently working on two project finance transactions with respective values of EUR 70 million and USD 130 million in addition to a number of mandated local bond issuances and a long term USD 120 million international Sukuk issuance.

2014 LOCAL CORPORATE BOND ISSUANCES LEAGUE TABLE


League Table by Transaction Size							
Ranking	Intermediary	Transaction size (TRY '000)	%	Average Transaction Size	Average Distribution		
					1-2 years	2 years	2-3 years
1	ÜNLÜ & Co	805.000	24	134167	3.7	3.8	4.50
2	Akbank	771.000	23	85,667	4.1	4.3	4.50
3	Garanti Bankası	350.000	11	87,500	n.a.	2.3	3.50
4	İş Bankası	350.000	11	50,000	n.a.	3.8	3.36
5	Yapı Kredi	300.000	9	150,000	n.a.	3.8	3.90
#	Diğer	719.000	22	51,357	4.2	4.2	3.64
Total		3,295,000		78,452	4.1	3.9	3.90
Top 3		1,926,000	58				
Top 5		2,576,000	78				

*Local Corporate Bond Issue Ranking for 2014 by Borsa Istanbul.




2014 TRANSACTIONS

June 2014




Karsan
TRY 100,000,000
Bond Issue

ÜNLÜ & Co acted as the sole bookrunner to Karsan.




June 2014




Demirer Enerji
TRY 30,000,000
Bond Issue

ÜNLÜ & Co acted as the sole bookrunner to Demirer Enerji.




September 2014




Demirer Enerji
TRY 45,000,000
Bond Issue

ÜNLÜ & Co acted as the sole bookrunner to Demirer Enerji.




October 2014




Karsan
TRY 180,000,000
Bond Issue

ÜNLÜ & Co acted as the sole bookrunner to Karsan.




December 2014




Gözde Girişim
TRY 400,000,000
Bond Issue

ÜNLÜ & Co acted as the sole bookrunner to Karsan.




December 2014



Ayen Enerji
TRY 70,000,000
Bond Issue

ÜNLÜ & Co acted as the sole bookrunner to Ayen Enerji.





INSTITUTIONAL SALES & BROKERAGE

SINCE 2010, ÜNLÜ & CO HAS COMPLETED ABOUT USD 2.5 BILLION IN ECM TRANSACTIONS AND RANKS #2 IN THE MARKET.

ÜNLÜ & Co Institutional Sales team caters to international institutional clients investing in Turkish financial markets, particularly into equities. Our client base includes mutual funds, hedge funds, pension funds and Sovereign Wealth Funds based in Europe, the US, Asia and Turkey. The highly experienced team is particularly strong in private placements, initial/secondary public offerings (IPO/SPO) and block sales.

2014 was a stagnant year in terms of deals, with only one IPO in the Turkish stock market that catered to international investors. This was mainly due to macro rebalancing after Central Bank's jumbo rate hike in January, as well as higher political uncertainty with twin elections. After presidential elections in August 2014, investor sentiment improved, while the major re-rating driver came late in the year with the plunge in oil prices.

Since 2010, we have placed about USD 2.5 billion in IPO/SPO/block transactions, ranking us #2 among competitors. In 2015, we expect the deal flow for Turkish stocks to be strong and we believe our team will maintain its leading position.

ÜNLÜ & CO TURKISH BANKS' CEO DAY: A UNIQUE EVENT THAT GATHERS TOP BANK CEOS AND FUND MANAGERS

One of our core areas of strength has been to provide investors with high level corporate access. In addition to organizing reverse roadshows for our clients to have them meet with companies in Turkey, we also launched a unique event in 2014 to engage investors with Turkish banks. ÜNLÜ & Co Turkish Banks' CEO Day was held in February in London, bringing together top executives of the banks with more than 50 investors who are among the largest holders of Turkish equities. Following its success, we have turned this into an annual event and will hold the 2. Turkish Banks' CEO Day in the beginning of March 2015. This year's event is expected to bring together more bank CEO's reaching out to a wider audience. We plan to organize this type of signature events for our clients to provide them with a deeper understanding of Turkish companies, sectors and also politics.



BENJAMIN FRANKLIN BRIDGE / THE USA

RESEARCH

ÜNLÜ & CO RESEARCH DEPARTMENT PROVIDES IN-DEPTH ANALYSIS AND PRODUCES THEMATIC REPORTS TO HELP INVESTORS HAVE A BETTER UNDERSTANDING OF THE TURKISH MARKET AND CORPORATES. IN 2014, 9 INVESTOR ROADSHOWS AND 9 DIFFERENT ANALYST ROADSHOWS HAVE BEEN ORGANIZED TOGETHER WITH THE INSTITUTIONAL SALES DEPARTMENT.

ÜNLÜ & Co Research Department once again became a bridge between Turkish and foreign firms by improving the quality of equity research services provided to foreign institutional investors. In line with 2014 targets and objectives, the companies under equity research coverage were increased to 49 from 40 and many different thematic sector and company-specific reports were published.

STRATEGIC SECTORS UNDER THE SCOPE

ÜNLÜ & Co Research Department continued to generate value-added independent research reports regarding sectors such as banks, insurance, conglomerate, commodity, telecom, retailer, auto, consumer durable, real estate, cement, glass, aviation, food & beverage, utility and defense which constitutes the majority of Borsa Istanbul. In 2014, the independent equity research reports also received recognition from foreign institutional investors and had a major positive impact on the brokerage revenues. Aside from brokerage revenues, checks received from investors in exchange for equity research services that increased significantly.

MACROECONOMIC ANALYSES, THEMATIC RESEARCH, DETAILED SECTOR REPORTS

ÜNLÜ & Co Research Department's service offering to its external and internal clients is to provide insightful and value-added independent research reports with executable investment ideas. Emerging market investors follow hundreds of companies in a number of countries, which increases the need to access key information at the right time. With detailed and on-time reports, the Research Department aims to fulfill these needs. The Research Department generates sectorial and macro-economic analyses, long-term thematic

investment ideas, and company-specific reports. The analysts regularly visit the listed companies and try to keep the investors up to date regarding the recent developments through email, phone, and roadshows.

9 INVESTOR VISITS, 9 ROADSHOWS

ÜNLÜ & Co Research Department, with its customer centric approach, acts as a liaison for investors as its primary goal and for this purpose prioritizes that the research reports published and the meetings and the organizations conducted for the investors are all aligned with the investors' best interests. In 2014, together with the Institutional Sales department, 9 investor roadshows and 9 different analyst roadshows were organized. As a result of these organizations and value-added reports, revenue was generated from six investment funds located in the United Kingdom and the United States. Aside from these, the Equity Research team, was able to enter the major brokerage lists which led to direct brokerage dealing account openings. The team also facilitated brokerage revenues from major institutional funds.

In 2015, ÜNLÜ & Co Research Department aims to increase the number of companies under coverage from 49 to 55 and continue delivering value-added products and differentiating investment ideas to investors. With the research reports published, the Equity Research Department targets 20% increase in brokerage commissions and checks received in exchange for research services. The "ÜNLÜ Research" iPad App, which has been launched in the beginning of 2015, aims to broaden investors' access to published reports and facilitate new trading account openings. The Equity Research Department also plans to improve one-on-one interactions with investors by organizing more analyst and institutional corporate roadshows.

GLOBAL MARKETS

ÜNLÜ & CO GLOBAL MARKETS DEPARTMENT SUCCESSFULLY COMPLETED MAJOR TRANSACTIONS IN BOND PLACEMENTS.

ÜNLÜ & Co Global Markets team provides liquidity and hedging solutions to financial institutions and corporates in close cooperation with Standard Bank. The team identifies and addresses the financing, investing and hedging needs of the clients.

LARGEST LOCAL CORPORATE BOND ISSUED IN LOCAL DEBT CAPITAL MARKETS

In 2014, Global Markets team especially concentrated on local currency corporate bonds in Turkish debt capital market. The team realized sales of TRY 805 million corporate bonds to investors in the second half of the year with a total number of 6 bond issuances carried out together with the Debt Capital Markets & Advisory team. Gözde Girişim's bond issue of TRY 400 million, with a maturity of 2 years, was the largest local corporate bond issued in local debt capital markets so far. The initial size of the bond was TRY 300 million, however due to the high demand coming from the investors, the team decided to increase the size to TRY 400 million.

GOAL: STABLE GROWTH IN BOND ISSUANCES

The department's distribution network that constitutes of banks, pension funds, investment funds, family offices, insurance companies, private sector companies and individual investors also improved and the team showed competence with these high amount bond issues.

Global Markets Department believes that in 2015 debt capital markets will grow much more and they plan to work together with Debt Capital Markets & Advisory team increasing both the number and amount of bond issues in 2015 and continue to preserve ÜNLÜ & Co's leading position in the market.

ÜNLÜ & Co Global Markets team offers derivative, structured and leveraged solutions across the following product areas and markets:

- Foreign Exchange (spot and forward foreign exchange, swaps and options)
- Credits (sovereign / corporate bonds, credit default swaps and credit linked notes)
- Rates (interest rate / cross currency swaps, caps and floors)
- Equity Derivatives (equity / index related derivatives and solutions)
- Commodities (base / precious metals and energy forwards, swaps, options and commodities financing)
- Client Financing (financing and leverage of fixed income and equity portfolios)
- Money Markets
- Local Corporate Bonds

CHARLES BRIDGE / THE CZECH REPUBLIC

ASSET MANAGEMENT SERVICES |



THE FORTH BRIDGE / SCOTLAND



BRUGES BRIDGE / BELGIUM

ÜNLÜ ALTERNATIVES

SINCE ITS ESTABLISHMENT, ÜNLÜ ALTERNATIVES HAS DEVELOPED DEEP INSIGHTS INTO THE TURKISH CORPORATE LANDSCAPE THROUGH RELATIONSHIPS WITH PROMINENT ENTREPRENEURS, PROVIDING A POWERFUL COMPETITIVE ADVANTAGE.

ÜNLÜ & CO SECURES USD 110 MILLION MANDATE FOR TURKEY

In 2014, ÜNLÜ & Co, launched a new investment partnership with one of the largest foundations in the world. The partnership, which has an initial committed capital of USD 110 million, will invest in a variety of asset classes, including private equity, public equity, infrastructure, non-performing loans, real estate and structured debt including mezzanine-type structures.

'The foundation sees Turkey as a great place to invest and they chose us as an advisor for the new partnership. The initial commitment is expected to be invested in the next two or three years and our aim is to increase the size of AUM to USD 300 million in the medium term. The firm didn't make any investments in 2014; however has identified a number of potential opportunities. We may see two investments in 2015, but we will wait for the right time to invest.' says Utku Özyay, Principal of ÜNLÜ Alternative Asset Management.

ŞOK MARKETLER FROM "INTEGRATION" TO "GROWTH AND VALUE ENHANCEMENT" PHASE

Şok Marketler (Şok) has gone through an "integration" phase in 2014. The Company acquired DiaSA, #4 discount grocery retailer in Turkey, and Onurex, an Istanbul focused grocery chain, in 2013. Şok's strategy in 2014 was to integrate the DiaSA and Onurex stores rapidly into its network and to generate the same operational improvements and sales per

store growth as achieved in the case of the original Şok stores. The Company successfully completed the integration process and all DiaSA and Onurex stores were converted to the Şok format in 2014.

The Company identified the key operational improvement areas and introduced various projects to enhance value creation in 2014. Seven projects were initiated in 2014 and some of the projects became active during the year. The supply chain planning and optimization project has been started and successfully implemented to Şok's distribution network. The Company plans to speed up the value creation process in 2015 through the implementation of the planned projects and the introduction of the new business solutions.

The Company continued to grow its store network through new store openings in 2014. Şok opened 380 new stores and reached a network of 2,300 stores by year-end. The Company will focus on growing its store network through higher store roll-out expectations. Şok plans to accelerate its store expansion by opening 750 new stores in 2015.

Şok achieved a 50% increase in annual sales through the addition of DiaSA and Onurex stores, like for like growth and the contribution of new stores. The Company plans to focus on top line growth in 2015 especially by the help of improved like for like performance and higher store roll-out expectations.

PORTFOLIO MANAGEMENT

ÜNLÜ PORTFÖY ASSETS UNDER MANAGEMENT GREW SIXFOLD IN 2014 REACHING TRY 277 MILLION AND THUS BECOMING THE FASTEST GROWING PORTFOLIO MANAGEMENT COMPANY IN TURKEY.

ÜNLÜ Portföy services investors under 2 different funds. ÜNLÜ B Type Variable Fund caters to low-risk profile investors, offering higher yielding alternative to traditional time deposit investors. Hedge Fund (USY), on the other hand is designed for an investor profile with a higher tolerance to market volatilities.

BEST YIELDING FIXED INCOME FUND

ÜNLÜ B Type Variable fund, which has been managed by ÜNLÜ Portföy since October 1st, 2012 has steadily outperformed time deposit rates since inception.

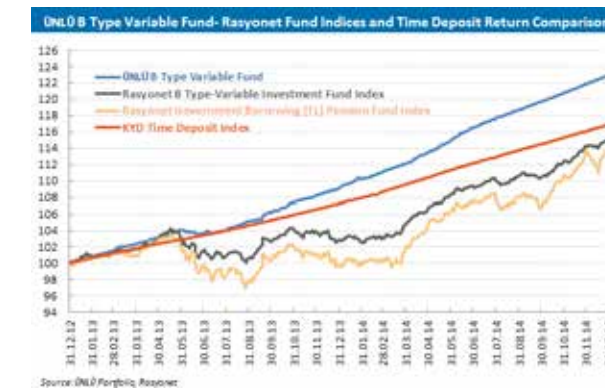
FASTEST GROWING FUND

In order to broaden the investor base, ÜNLÜ Portföy signed distribution agreements with two bank subsidiaries which have access to wide distribution networks. Consistent performance and track record of the fund coupled with expanded distribution network, the number of investors under the fixed income fund exceeded 1,200 while the total size of the fund grew sixfold

in 2014 reaching TRY 250 million. At the end of 2014, ÜNLÜ Portföy ranked 3. among local independent portfolio management companies.

ÜNLÜ Portföy aims to reach more investors once Turkey Electronic Fund Distribution Platform (TEFAS) is activated. TEFAS is a platform that allows investors to have access to all local funds authorized by CMB through a single terminal. Upon launch of this platform, investors will be able to compare funds in terms of risk, asset allocation, and past performance and will readily be able to invest in any fund they choose.

One other significant development of portfolio management industry was the regulation of portfolio management companies' activities with the new Communiqué of Portfolio Management Companies put in place in July 2014. With this Communiqué, portfolio management companies became independent financial institutions and were authorized to establish funds.



Size of Portfolio (TRY)		
MANAGEMENT COMPANY 2014 year-end Growth Rate		
1 ÜNLÜ Portföy	276,924,860	474.8%
2 Bosphorus Capital Portföy	654,709,445	%290.3
3 Bank Pozitif Kredi ve		
Kalkınma Bankası	6,101,193	%152.8
Logos Portföy	49,614,878	%111.5
Ekinçiler Yatırım Menkul Değ.	19,050,006	%80.7

*Rasyonet data for end of 2014.



FATİH SULTAN MEHMET BRIDGE / TURKEY

İSTANBUL VARLIK

ONE OF THE MOST ACTIVE INVESTORS IN THE SECTOR, İSTANBUL VARLIK MANAGES A PORTFOLIO OF TRY 1.40 BILLION MADE UP OF 16 NPL PORTFOLIOS WITH MORE THAN 265.000 BORROWERS AS AT YEAR-END.

İSTANBUL Varlık Yönetim A.Ş. ("İSTANBUL Varlık"), one of the group companies of ÜNLÜ & Co, was established in 2009 with the permission of BRSA to invest in NPL portfolios. Previously, the firm concentrated on the commercial and corporate NPL portfolios through its group company DU Finansal Danışmanlık Hizmetleri A.Ş. ("DUFDAS"); however, as 2008 crisis triggered a rapid increase in retail NPLs, the firm headed towards retail segment as well. Another group firm, PLATO Finansal Danışmanlık Servisleri A.Ş. ("PLATO Finans"), was established by the end of 2009 for the management of retail and micro-SME NPL portfolios. Currently, İSTANBUL Varlık is the holder of the assets and there are two group firms, PLATO Finans and DUFDAS, managing NPLs. This structure allows ÜNLÜ & Co group to measure each firms' performance separately while enabling the two NPL managing firms to provide service to third parties.

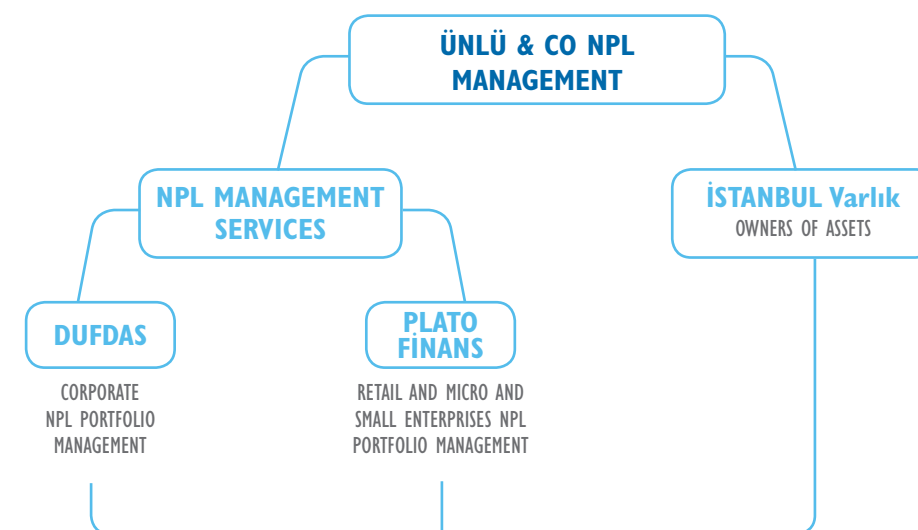
NPL INVESTMENT CONTINUES

İSTANBUL Varlık financed its NPL portfolios with the funds raised from Standard Bank from

its establishment until the end of 2010. Standard Bank's strategy change and decision to exit from the NPL sector in its operating markets paved the way to a turning point for İSTANBUL Varlık. The company accelerated the search for alternative sources since the beginning of 2011 and financed its NPL purchases through third party funds and bank loans. İSTANBUL Varlık's credit limits provided by the leading Turkish banks enhanced significantly in 2014.

16 NPL PORTFOLIOS BEING MANAGED

İSTANBUL Varlık maintained its consistent expansion in 2014 by acquiring three NPL portfolios with a total volume of TRY 260 million and 40,000 borrowers. The company is distinguished as one of the most active players in the sector and manages a portfolio of TRY 1.40 billion made up of 16 NPL portfolios with more than 265.000 borrowers as of the end of 2014. Total investment of İSTANBUL Varlık reached to nearly TRY 220 million for the NPL portfolios acquired from ten different banks and financial institutions.



PLATO FİNANS DUFDAS

PLATO FİNANS CURRENTLY MANAGES 300,000 ACCOUNTS FROM TEN DIFFERENT BANKS AND EMPLOYS 250 FULL TIME STAFF.

PLATO Finans was established as a subsidiary of ÜNLÜ Securities in June 2009 to service the retail and micro-SME NPL portfolios. Currently, PLATO Finans manages the NPLs owned by İSTANBUL Varlık and provides NPL servicing to third parties. These portfolios consist of credit card debts, credit deposit accounts, vehicle, residential, consumer and micro-SME loans.

GOALS ACHIEVED UNDER 4 TOPICS

PLATO Finans currently manages 300,000 accounts from ten different banks and employs 250 fulltime staff. PLATO Finans achieved nearly all of its goals from last year, which were summarized under four topics.

Within the scope of these topics, PLATO Finans strengthened its technological infrastructure in

line with company goals, increased its human resources capacity, maintained its position in the market and became ready for a sudden growth. Total number of the fulltime call center staff has been increased by 50%, from 80 to 120. The company undertook the servicing of three additional portfolios. Aside from these, PLATO Finans moved to a separate office in Mecidiyeköy from its office in Yapı Kredi Plaza and increased the number of its fulltime staff to 250.

PLATO Finans plans to maintain its growth in 2015 by expanding its servicing of third parties and its newly-formed technology company, which focuses on educational and technological projects. Moreover, the company intends to enrich its collection strategies through its continual software innovations.

DU FİNANSAL DANIŞMANLIK HİZMETLERİ A.Ş. (DUFDAS) ACHIEVES COLLECTIONS BY ESTABLISHING EFFECTIVE LEGAL STRATEGIES TAILORED FOR ITS CLIENTS AND BY CREATING ALTERNATIVE SOLUTIONS.

DUFDAS achieved its annual collection projection during the first quarter of 2014 and a total of TRY 18.5 million collections have been realized during 2014.

portfolio that consists of 3.500 borrowers in 2014. Accordingly, to follow the legal proceedings in-house and maintain its quality of service, DUFDAS expanded its staff size.

DUFDAS CONTINUES TO GROW

In addition to focusing on the corporate and commercial NPL portfolios of İSTANBUL Varlık since its establishment, DUFDAS took over the management of an additional SME

In 2015, DUFDAS aims to increase its collections by establishing collection strategies particularly focusing on SME industry and adding new portfolios to existing ones.

PONTE VECCHIO / ITALY



MENA FİNANS

WITH ITS LOCAL MARKET EXPERIENCE AND KNOWLEDGE, MENA FİNANS OFFERS OPPORTUNITIES TO THE MIDDLE EAST AND NORTH AFRICAN INVESTORS.

MENA Finansal Yatırımlar A.Ş. ("MENA Finans") is the only fully functional local investment consultancy firm focusing on the Middle East and South African investors for their equity and debt finance transactions. MENA Finans, through its experienced management team and strong client network, offers tailor made services and solutions to private equity funds, investment banks, government funds and family offices.

PRIVATE EQUITY SERVICES

The company 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. MENA Finans spots the right opportunities in line with the investors' needs, provides structuring and execution services of the transaction and also post-acquisition management services for its investors where requested.

Private equity transaction focus is growth capital opportunities targeting stable companies with consistent revenue growth and strong dividend generation capacity with special emphasis on the following sectors:

- Food and Agriculture
- Retail
- Logistics
- Pharma and healthcare services

MENA Finans provides tailor made structuring solutions based on the investment criteria of MENA investors, including Sharia compliant investment structuring execution and management until successful exit.

MEZZANINE FINANCING

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

REAL ESTATE INVESTMENTS

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, facilitating acquisition financing from local financial institutions, structuring Sharia compliant real estate transactions for:

- Income Generating Projects
- Development Projects



KAPELL BRIDGE / SWITZERLAND

212 CAPITAL PARTNERS

Turkey has become an attractive destination compared to the other markets in the world in light of many different factors like demographic data (excess young population, fields of interest), improving risk-capital ecosystem, converse brain drain (many talented Turkish science or business people return back to the country), wide usage of mobile devices, improving internet and e-commerce ecosystem, stable government system and powerful online & offline consumer habits.

ÜNLÜ & Co supports 212 Capital Partners which supplies initiative capital in the establishment period of technology, internet, communication firms and we become a partner of 212 Ltd. 212 plays a significant role in being one of the largest funds for the companies that want to establish ventures in the vertical markets like software, social games, e-commerce, mobile, social media and cloud network. 212 passed through a very active year in 2014 by making technology investments in seven different establishing firms.



Hemenkiralik.com
Online Short-term House
Rental Website



HotelRunner
Online Sales and Marketing
Platform for Hotels



Solvoyo
SaaS Solutions Offering Advanced
Supply Chain Optimization



Parcadeposu.com
Online Auxillary Equipment
Platform for Automobiles



IyziCo
Online Payment System



Vizera
High-Resolution Image
Masking Projector

CORPORATE SOCIAL RESPONSIBILITY

ÜNLÜ & Co has a firm commitment pledged to its clients, employees, financial sector and the society as a whole: **“Raising Values.”**

ÜNLÜ & Co's mission to add and raise values of the society, as an essential of ÜNLÜ & Co's 'commitment' gene, encompasses its ownership to the society by embracing sustainability.

ÜNLÜ & Co has supported projects regarding entrepreneurship, creating employment and supporting investment and will carry on its activities in diverse fields resulting raising values of the society and will fulfill this mission on equal effort same with all the other activities.

ÜNLÜ & Co implements its social responsibility projects under 3 main themes which are listed as below:

1. Entrepreneurship
2. Education
3. Supporting Women

In this regard, ÜNLÜ & Co management team participates and takes active roles in several entrepreneurship organizations which add value to the society. The projects that we participated and completed in 2014 are as follow:

ENDEAVOR

Endeavor is a non-governmental organization which aims to support long term economic growth through supporting young and creative

entrepreneurs. As ÜNLÜ & Co, we sponsor their initiatives and our chairman Mahmut L. Ünlü was the executive committee member of Endeavor and mentoring these driven entrepreneurs.

FORBES MAGAZINE MENTOR – MENTEE PROGRAM

Forbes Magazine launched a mentorship program called “More women in Executive Board Positions” to support the place and importance of women in business life. ÜNLÜ & Co Chairman Mahmut L. Ünlü provided mentorship within this platform.

KORUNCUK VAKFI

Turkish Foundation for Children in Need of Protection (TKMCV), believes that every child entitled the right to receive compassion, love and understanding, sufficient nutrition and to live in a healthy environment, to benefit from the opportunities of plays and fun, to receive modern education and to improve his/her skills, in brief, to live a life behooves human dignity.

Turkish Foundation for Children in Need of Protection, founded by volunteers who aimed to establish and promote villages for children in 1979, aims to enable children in need of protection to live in a family environment as soon as they arrive in the children's village and grow up in a healthy environment, to receive education, to develop their personal skills, to prepare for the future and contribute to the society at large. As ÜNLÜ & Co, we are also proud to be a part of this project.

GİRİŞİMCİLİK VAKFI

Turkish Entrepreneurship Association, co-sponsored by ÜNLÜ & Co, works with young people to develop the entrepreneurship culture in Turkey. Turkish Entrepreneurship Association aims to support young individuals with its Fellow Program by making them a part of the large entrepreneurial network and inspire them with the experience of successful entrepreneurs. The program is a pioneer in Turkey and one of the few around the globe. ÜNLÜ Securities Board Member and CEO of MENA Finans, Şebnem Kalyoncuoğlu Ünlü is a member of board

of trustees and she shares her experiences with students in fellow-up events organized bi-monthly. Turkish Entrepreneurship Association Fellow Program provides the opportunity to the young individuals to meet with the entrepreneurs who inspire them and gives the chance to benefit from their experiences. The young individuals are accepted to the Fellow Program via a selection process composed of five steps where they have the right to participate in Fellow-up inspiration meetings or network, internships and experience-share organizations.



CORPORATE SOCIAL RESPONSIBILITY

KAGİDER

'Women Entrepreneurs Association of Turkey' founded in September 2012 by 37 women entrepreneurs as a non-profit organization and has been operating all around Turkey. The association continues to grow with its 305 entrepreneur women members who are actively working in different sectors and creating value

for the society. ÜNLÜ & Co is also proud of supporting our young women with the help of this organization. In October, we organized a special event for 'Women Leaders of Future' and women pioneers in business life shared their insights and experiences on work-life balance with the young women participated in this event.



KAGİDER ve ÜNLÜ & Co. tarafından düzenlenen "Güçlü kadın güçlü toplumun teminatı" etkinliği, 2014 yılında İstanbul'da gerçekleştirildi. Etkinliğe katılan kadınlar, iş hayatlarındaki deneyimlerini ve başarılarını paylaştılar. Etkinlik, ÜNLÜ & Co. tarafından desteklenmiştir.



325 kadın programa dahil oldu. KAGİDER Başkanı Gülşen Türker, "Güçlü kadın güçlü toplumun teminatı" sloganıyla, kadınların iş hayatlarındaki başarılarını ve deneyimlerini paylaştıkları bir program düzenlendi. Program, ÜNLÜ & Co. tarafından desteklenmiştir.

KOÇ UNIVERSITY ANATOLIAN SCHOLARSHIP PROGRAM

When we examine the university entrance exam results for the past years, we realized that most of the brilliant students need economical support for continuing their education. In order to meet the needs of these brilliant students and offer them good education opportunities as

they deserve, Koç University started this project in 2011. As ÜNLÜ & Co, we are also a member of this program since 2014. Within the scope of this program, we sponsor İlayda Ezgi Zengin who is a student of Computer Engineering Department at Koç University and we are proud of her success.



Samsun Fen Lisesi mezunuyum. Lisede başarılarımı, hedeflerimi sadece Koç Üniversitesi'ne Anadolu Bursiyeri olarak kabul edilmek, böylelikle harika bir programın parçası olabilmek, bu anlamda içinde yer alabilmek tarifsiz bir mutluluk benim için.

İnsanların karedi düşüncelerini bu kadar rahat savunabilişliği, her türlü imkânın öğrencilere sunulduğu böyle bir ortamda olmak herkesin sahip olmak isteyeceği türden bir şans.

İLAYDA EZGİ ZENGİN
Samsun
BİLGİSAYAR MÜHÜRÜLÜĞÜ
ÜNLÜ & CO. BURSIYERİ 2014

Spor, sanat, bilim alanlarında her türlü olanağı sahip bir yerin havasını solumayı kim istemez? Herkesin ilgi alanına göre bir şeyler bulabildiği, öğrenirken eğlenip aynı zamanda da tecrübe kazandığı bir yaşam merkezi gibidir Koç Üniversitesi.

Bu şansın bana sağladığı Anadolu Bursiyerleri Programı, Türk eğitim sisteminin çitması yükseklere taşınarak kalıplarını üniversite hayatıyla öğrenci seçme sistemine alternatif bir yol sağlıyor.

Türkiye'nin önde gelen kurumlarının bize destek olmasına bilmek kendimizi güvencemizi sağlıyor. Ben buraya girerken Ünlü & Co. sayesinde bu imkânla tanıştım.

KAGİDER

KOÇ
ÜNİVERSİTESİ
ANADOLU BURSLARI

ÜNLÜ & CO IN THE PRESS

'PORTFÖY'LERE TEFAS İLE ŞEFFAFLIK GELİYOR

EKONOMİ SERVİSİ



Yatırım bankacılığı hizmetleri ve varlıklarını yöneten Ünlü & Co. Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

İnvesting, TEFAS ile portföy adesterinde 10 kat büyümeye bekleniyor" dedi. Yatırım fonları ile ilgili olarak Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Ekonomist 09/11/2014

"SEÇİMDEN SONRA SATIN ALMALAR ARTAR" Mahmut Ünlü, "Seçimden sonra satın almalar artar" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Forbes 01/09/2014

Mahmut L. Ünlü



Ünlü & Co. Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Sabah 21/04/2014

Yüzde 45'ye yatırımın önünü açtı



Yabancıların Türkiye'ye uzun vadeli bakişlarını artırdığını söyleyen Ünlü & Co. Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Hürriyet 25/07/2014

Çinli devî Türkiye'ye ilk çeken oldu, Harvard'da 'havuz' yolu göründü



Vahap Munyar, "Çinli devî Türkiye'ye ilk çeken oldu, Harvard'da 'havuz' yolu göründü" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Dünya 20/10/2014

Türk Lirası tahvil ihraçları 4 yılda 10 katına çıktı



Gökçe Gökçe, "Türk Lirası tahvil ihraçları 4 yılda 10 katına çıktı" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Avrupalı azaltıyor, Asyalı artıyor

Avrupalı yatırımcılar Türkiye'den çıkıyor, Asyalı yatırımcılar ise Türkiye'ye geliyor" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Sabah 23/07/2014

Mahmut Ünlü Boğaziçi'nde 'vaka' olarak okutulacak!



Mahmut Ünlü, "Boğaziçi'nde 'vaka' olarak okutulacak!" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Boğaziçi University Management Department prepared a case study reviewing the success of Mahmut L. Ünlü and his company ÜNLÜ & Co.

Milliyet 31/12/2014

Gözde ihraç için Ünlü aracı



Gökçe Gökçe, "Gözde ihraç için Ünlü aracı" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Sabah 01/06/2014

Karsan tahviline 4.5 kat talep



Ayşe Akın, "Karsan tahviline 4.5 kat talep" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

UniBusiness 01/07/2014

DIŞ ŞOKLARA HAZIRLIKLILIK OLMAK İSTEYEN HER ŞİRKET RİSKİ DOĞRU YÖNETMELİ



Mahmut Ünlü, "Dış şoklara hazırlıklılık olmak isteyen her şirket riski doğru yönetmeli" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Habertürk 06/09/2014

'1 milyar dolarlık satın almaya aracılık edeceğiz'



Mahmut Ünlü, "1 milyar dolarlık satın almaya aracılık edeceğiz" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

Ünlü ile ortak 'bilimsel fon'

Yatan 06/09/2014



Mahmut Ünlü, "Yatan ile ortak 'bilimsel fon'" dedi. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü. Ünlü Yatırım Menkul Değerler A.Ş. (Ünlü Yatırım) portföylerini 2013 yılında portföy büyüklüğü 5 milyon TL'nin üzerindeki 87 adet B Tipli Fon arasında "En İyi Portföy Yöneticisi" ödülüne layık görüldü.

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 is managed and monitored by the Compliance Department. Compliance risk is 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. Ensuring the effective management and supervision of compliance risk is under the ultimate authority and responsibility of the Board of Directors.

The Compliance Department develops policies for the compliance risks that the ÜNLÜ & Co group of companies may be exposed to, reviews the said policies on a regular basis in line with changes in business activities and market conditions and oversees their implementation.

Within the framework of a risk-based approach, ÜNLÜ & Co regularly analyzes regularly all business activities in which 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 acts 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 potential conflict of interests and has taken the necessary administrative measures.

The Compliance Department is also performing the requirements of ÜNLÜ & Co relating to the Prevention of Laundering Proceeds of Crime and Terrorism Financing and thus the company reports the results of risk monitoring to the Board of Directors on a regular basis.

ÜNLÜ & Co personnel operates under its Compliance Manual (which also includes a Corporate Code of Ethics) reflecting all its policies. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk includes a variety of risk sub-types, such as fraud, compliance, physical and legal risks.

ÜNLÜ & Co's operational risk management approach involves identifying, assessing, monitoring and measuring the risks. ÜNLÜ & Co aims to adopt operational risk practices that assist business-line management in understanding their inherent risk and reducing their risk profile in line with the group's risk tolerance, while maximizing their operational performance and efficiency. ÜNLÜ & Co's operational risks and identification, evaluation, monitoring and mitigation of these risks are managed under the supervision of the Executive Committee.

ÜNLÜ & Co is making the necessary efforts in line with local regulations and international best practices to measure operational risk in accordance with its scale and is committed to the management and measurement of operational risk.

The occupational health and safety of employees is a priority for us. ÜNLÜ & Co aims to identify and reduce the probabilities of accidents or injuries in all of its operations. With this in mind, ÜNLÜ & Co Occupational Health and Safety Policy, which covers standards for health and safety requirements, is being implemented. Policy was developed in accordance with Occupational Health and Safety Law No.6331 and related legislations. Training of staff on health and safety issues and raising awareness is an ongoing endeavor at ÜNLÜ & Co.

ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS

ÜNLÜ FİNANSAL YATIRIMLAR A.Ş.
ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
FOR THE PERIOD BETWEEN
1 JANUARY 2014 - 31 DECEMBER 2014

I. GENERAL INFORMATION

I.1. Company Information

Our company “ÜNLÜ Finansal Yatırımlar A.Ş.” is registered at the İstanbul Trade Registry with the registration number 792072. The company’s headquarter is located at the address of “Ahi Evran Caddesi Polaris Plaza B Blok No: 21 K:1 Maslak-Sarıyer/ İstanbul”. Web address of the Company is www.unluco.com.

I.2. Organizational, capital, and shareholding structure of the Company

The registered capital of the Company is TRY 32.153.606. The shareholders structure of the Company as of 31.12.2014 is stated as below;

SHAREHOLDERS	SHARE AMOUNT (TRY)	SHARE (%)
MAHMUT LEVENT ÜNLÜ	31.999.996,00	99,52226
KAĞAN ÇEVİK	58.200,00	0,18101
TUNÇ YILDIRIM	29.100,00	0,09050
MEHMET BATUR ÖZYAR	11.016,00	0,03426
SİMGE ÜNDÜZ	10.809,00	0,03362
CAN ÜNALAN	10.394,00	0,03233
İBRAHİM ROMANO	9.978,00	0,03103
TAHİR SELÇUK TUNCALI	9.978,00	0,03103
VEDAT MİZRAHİ	7.275,00	0,02263
MEHMET SAİT SEZGİN	6.859,00	0,02133
KAMİL ATTİLA KÖKSAL	1,00	0,00000
TOTAL	32.153.606,-	100,00

In 2014, capital of our company has been increased to TRY 32.153.606 from TRY 32.000.000, and latest capital structure of our company is as above.

I.3. Privileged shares and voting rights attributed to them, if any

There is no privileged share. There is no Company regulation regarding voting rights other than regulations mentioned in Turkish Commercial Code. Each share grants one vote.

I.4. Information about Board of Directors, high level managers and number of employees

The Board of Directors (“Board”) consists of 4 people; one Chairman, one Vice-Chairman and 2 (two) Board members. Total number of employees is one (1).

There is no duty distribution among the members of the Board. All members carry out the management duty of the Company altogether.

Other than Board of Directors’ members, there are no high level managers planning, executing, controlling and managing the companies’ operations, within the framework of their authorities and responsibilities granted by the Board.

I.5. Restriction of Transactions with the Company and Non-Competition Restriction

There are no transactions where the Board members acted in violation of the restriction of transactions with the Company neither on their own, nor on behalf of others. The Board members have further not engaged any transactions in violation of the non-competition restriction.

II. FINANCIAL BENEFITS PROVIDED TO THE DIRECTORS AND SENIOR MANAGERS

There is no amount of remunerations and similar financial benefits provided to Board members. There is no High Level Managers in the Company

III. RESEARCH & DEVELOPMENT ACTIVITIES OF THE COMPANY

The company has not engaged any research and development activities within this fiscal period.

IV. COMPANY ACTIVITIES AND SIGNIFICANT DEVELOPMENTS AS TO SUCH ACTIVITIES

4.1. Details as to the investments of the Company within the period

With the Board Resolution dated 21.08.2014 numbered 2014/05, the Company has acquired shares of a company named Turkish Alternative Investments Limited through purchasing the company’s shares as a whole.

4.2. Details as to the internal control and audit activities of the Company

An internal control system was implemented so that all company procedures and transactions are carried out regularly, effectively, and efficiently in line with the management strategy and policies under the currently existing legislations and rules, accounts and records are coherent and reliable, information in database are acquired in a timely and correct manner, and any fault, fraud, or infraction is detected and prevented. Adequacy of internal control activities is audited by the internal audit.

In case risks increase or risk areas change due to the improvements in the relevant sectors or technological innovations, internal control system is regularly revised and updated.

4.3. Information regarding the subsidiaries of the Company and shareholding rates

The company’s direct subsidiaries are as follows:

ÜNLÜ MENKUL DEĞERLER A.Ş.	: % 75
212 LIMITED	: % 32,50
ÜNLÜ ALTERNATIVE MANAGEMENT LIMITED	: % 100
SU GENERAL PARTNERS S.A.	: % 100
MENA FİNANSAL YATIRIMLAR A.Ş.	: % 74.99
TURKISH ALTERNATIVE INVESTMENTS LTD.	: % 100

The company’s indirect subsidiaries are as follows:

ÜNLÜ PORTFÖY YÖNETİMİ A.Ş. (through ÜNLÜ MENKUL DEĞERLER A.Ş.)	% 74.99
İSTANBUL Varlık YÖNETİM A.Ş. (through ÜNLÜ MENKUL DEĞERLER A.Ş.)	% 74.99
PLATO FİNANSAL DANIŞMANLIK SERVİSLERİ A.Ş. (through İSTANBUL Varlık YÖNETİMİ A.Ş.)	% 54.44
DU FİNANSAL DANIŞMANLIK HİZMETLERİ A.Ş. (through ÜNLÜ MENKUL DEĞERLER A.Ş.)	% 74.99

4.4. Information as to the Shares Bought Back by the Company

The company has not bought any of its shares back within this fiscal period.

4.5. Information as to Special Audits and Government Audits

Our company is not subject to special and governmental audits within 01.01.2014 – 31.12.2014

4.6. Lawsuits brought Against the Company, Which May Affect the Financial Status and Operations

No actions that may affect the financial status and companies’ operations, has been filed against the company within this fiscal period.

4.7. Information on Administrative and Judicial Sanctions Applied due to Breach of Regulations

No administrative or judicial sanctions applied on the company or the board of directors’ members on grounds of regulation breach.

4.8. Information as to Compliance with Targets and General Assembly Decisions

The Company has met the expectations determined for this fiscal year and decisions adopted at the General Assembly meeting were applied successfully.

4.9. Information as to the Extraordinary General Assembly

There has not been an extraordinary general assembly meeting held within this fiscal period.

4.10. Information on Grants, Aids, and Corporate Responsibility Project Expenses

No grants, aid, and corporate responsibility project expenses have been made within this fiscal period.

4.11. Transactions Between Group Companies

Our Company is included in the group companies as parent company.

ÜNLÜ Menkul Degerler A.Ş. transferred its 72,59% shares in PLATO Finansal Danışmanlık Servisleri A.Ş. to İSTANBUL Varlık on December 24th, 2014.

ÜNLÜ Finansal Yatırımlar A.Ş. has granted ÜNLÜ Alternative Asset Management Limited with a 2 year business loan on June 19th, 2014 amounting USD 250.000.

V. FINANCIAL STATUS

5.1. Assessment on the Company's Financial Status and Operation Results

The Company has several investments in the same field of business in the past years and upon these investments the Company has earned interests and dividends.

5.2. Information on the Company's sales and productivity

5.2.1. Information on the Company's sales and productivity within the fiscal year

The company has earned interests and dividends. There is no sales revenue for this fiscal year.

5.2.2. The Company's income generation capacity

During this fiscal year the Company has earned interests from a foreign corporate loan, as well as dividends from the shares of one of its affiliate companies These have had a positive impact on the Company's profitability.

5.2.3. Profitability and debt equity ratio

Thousands of TRY	31 December 2014	31 December 2013
Sales Revenues	184.144.830	176.065.049
Net Period Income	8.158.996	15.557.955
Current Assets	222.319.981	214.809.958
Non-current Assets	50.854.769	44.609.017
Short-term Liabilities	69.009.797	52.269.955
Long-term Liabilities	124.674.415	135.968.1170
Equity	79.490.538	71.180.903
Liability/Equity	2,64	3,28

5.2.4. Other information on the results of the Company's activities

No additional information.

5.2.5. Expectations for the Future

The Company is planning to issue corporate bond for the qualified investors. The Company is also planning to operate in different countries in 2015 and following years.

5.3. Statement on the reserves for capital and lack of unbearable debt

The lack of reserves for capital or unbearable debt as specified in article 376 of Turkish Commercial Code are not relevant for the Company.

5.4. Measures taken to improve the financial structure of the Company

The company is not in a bad financial situation. The lack of reserves for capital or unbearable debt is not a subject for our Company. Therefore, as there is no need to improve the financial structure of the Company, no precaution for this subject is required.

5.5. Dividend payment policy

In accordance with the solo financial reports of ÜNLÜ Finansal Yatırımlar A.Ş. as of 31.12.2014, the fiscal year was finalized with a loss. Thus, the decisions regarding the profit distribution will not be taken at the Ordinary General Assembly Meeting held for the year, 2014.

VI. RISK MANAGEMENT

6.1. Risk Management Policy

The companies' risks are managed under the board of directors' supervision.

The Company is charged to improve its risks management program, risk policies, limits and control mechanism. The Company uses risk substructure programs compliant with current risk policies and limits in order to achieve risk management.

6.2. Early Risk Detection and Management Committee

Our Company does not have an early risk detection and management committee, since it is not mandatory to establish such committee.

6.3. Risks

Risks are analyzed in accordance with the changes in exchange rates, global economy, and political regulators.

VII. ADDITIONAL INFORMATION REGARDING THE GROUP COMPANIES AS PARENT COMPANY

7.1. Situations and reason of a stock corporation's capital stocks, directly or indirectly, representing the five percent, ten percent, twenty percent, twenty five percent, thirty three percent, fifty percent, sixty seven percent, or a hundred percent or the situation where their shares are decreased from those ratios;

The Company's subsidiary TAIL was founded as of 15 Aug 2014 and its founding shareholder is ÜNLÜ Finansal Yatırımlar A.Ş. with 100% share.

7.2. Information About The Shares Of Enterprises Included In The System (Consolidation) Over The Parent Company Capital

Not available.

7.3. Explanation About The Internal Audit And Risk Management System Of The Association About The Preparation Period Of Consolidate Financial Statements

Internal audit and risk management is continuously in progress without any deficiency and a risk probability hasn't been observed.

7.4. Conclusion Part Of The Foreseen Report In 4th Sub Clause Of 199th Article Of Turkish Commercial Code, In Case Of A Demand From A Member Of Board Of Directors

The report in question hasn't been requested from the members of Board of Directors.

7.5. Other Issues

Other than the mentioned in this report; there hasn't been any special incidents occurred in the Company, which may affect the rights of shareholders, creditors and other person and enterprises in question, after the end of current activity year.

ÜNLÜ FİNANSAL YATIRIMLAR A.Ş. BOARD OF DIRECTORS

Mahmut Levent ÜNLÜ
Chairman of the Board

Can ÜNALAN
Deputy Chairman of the Board

Tahir Selçuk TUNCALI
Member of the Board

İbrahim ROMANO
Member of the Board



BOSPHORUS BRIDGE / ISTANBUL

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS



To the Board of Directors of ÜNLÜ Finansal Yatırımlar A.Ş. Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of ÜNLÜ Finansal Yatırımlar A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position (balance sheet) as at 31 December 2014 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

2. The Group's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Turkish Accounting 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.

Independent Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our audit was conducted in accordance with standards on auditing issued by the Capital Markets Board of Turkey and Independent Auditing Standards that part of Turkish Standards on Auditing issued by the Public

Oversight Accounting and Auditing Standards Authority. Those standards require that ethical requirements are complied with and that the audit is planned and performed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An independent audit involves performing procedures to obtain evidence about the amounts and disclosures in the consolidated financial statement. The procedures selected depend on independent auditor's professional judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to error or fraud. In making those risk assessments, the independent 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 independent audit includes also 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 independent audit evidence we have obtained during our audit is sufficient and appropriate to provide a basis for our audit opinion.

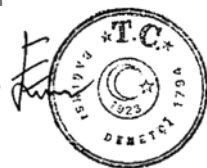
Opinion

4. In our opinion, the 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 2014 and their financial performance and cash flows for the period then ended in accordance with Turkish Accounting Standards.

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

Engin Çubukçu, SMMM
Partner

Istanbul, 30 April 2015



CONTENTS

PAGE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)	74
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	75
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	76
CONSOLIDATED STATEMENT OF CASH FLOWS	78
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	79
NOTE 1 ORGANISATION AND NATURE OF OPERATIONS OF THE COMPANY AND GROUP	79
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	80
NOTE 3 SEGMENT REPORTING	87
NOTE 4 BALANCES AND TRANSACTIONS WITH RELATED PARTIES	90
NOTE 5 CASH AND CASH EQUIVALENTS	92
NOTE 6 FINANCIAL INVESTMENTS	93
NOTE 7 INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD	95
NOTE 8 TRADE RECEIVABLES AND PAYABLES	96
NOTE 9 OTHER RECEIVABLES AND PAYABLES	96
NOTE 10 PREPAID EXPENSES	97
NOTE 11 OTHER ASSETS AND LIABILITIES	97
NOTE 12 ASSETS HELD FOR SALE	97
NOTE 13 FINANCIAL LIABILITIES	98
NOTE 14 PROPERTY AND EQUIPMENT	99
NOTE 15 INTANGIBLE ASSETS	100
NOTE 16 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	101
NOTE 17 PROVISION FOR EMPLOYEE BENEFITS	103
NOTE 18 SHAREHOLDERS' EQUITY	104
NOTE 19 SALES AND COST OF SALES	105
NOTE 20 EXPENSES BY NATURE	105
NOTE 21 OTHER OPERATING INCOME/EXPENSE	106
NOTE 22 FINANCIAL INCOME	106
NOTE 23 FINANCIAL EXPENSES	106
NOTE 24 TAX ASSETS AND LIABILITIES	106
NOTE 25 EARNINGS PER SHARE	109
NOTE 26 FINANCIAL RISK MANAGEMENT	109
NOTE 27 FINANCIAL INSTRUMENTS	114
NOTE 28 DISCLOSURES OF INTERESTS IN OTHER ENTITIES	115
NOTE 29 SUBSEQUENT EVENTS	116

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(Amounts expressed in Turkish lira (“TRY”) unless otherwise indicated.)

	Notes	31 December 2014	31 December 2013
ASSETS			
Current assets		222,319,981	214,809,958
Cash and cash equivalents	5	65,825,950	79,808,038
Financial investments	6	7,445,591	5,301,835
Trade receivables	8	142,209,183	123,677,676
- <i>Trade receivables due from related parties</i>	4	7,145,563	4,255,369
- <i>Trade receivables due from other parties</i>	8	135,063,620	119,422,307
Other receivables	9	4,571,546	4,286,471
- <i>Other receivables due from related parties</i>	4	582,229	269,488
- <i>Other receivables due from other parties</i>	9	3,989,317	4,016,983
Assets held for sale	12	-	1,243
Prepaid expenses	10	420,976	395,133
Other current assets	11	1,846,735	1,339,562
Non-current assets		50,854,769	44,609,017
Financial investments	6	1,741,201	1,472,513
Investments accounted through equity method	7	15,348,543	11,423,080
Other receivables	9	57,860	30,708
Property and equipment	14	1,079,891	1,300,663
Intangible assets		29,901,727	29,905,306
- <i>Goodwill</i>	15	29,198,326	29,198,326
- <i>Other intangible assets</i>	15	703,401	706,980
Deferred tax assets	24	2,725,547	476,747
Total assets		273,174,750	259,418,975
LIABILITIES			
Current liabilities		69,009,797	52,269,955
Financial liabilities	13	31,027,269	16,326,155
- <i>Financial liabilities due to related parties</i>	4	6,857,738	1,001,694
- <i>Financial liabilities due to other parties</i>	13	24,169,531	15,324,461
Trade payables	8	20,275,958	9,761,637
Other payables	9	9,927,362	11,858,361
- <i>Other payables due to related parties</i>	4	4,370,513	4,991,703
- <i>Other payables due to other parties</i>	9	5,556,849	6,866,658
Current income tax liabilities	24	789,217	2,547,968
Short term provisions		6,797,605	11,353,945
- <i>Provisions</i>	16	354,000	245,000
- <i>Provisions for employee benefits</i>	17	6,443,605	11,108,945
Other short term liabilities	11	192,386	421,889
Non-current liabilities		124,674,415	135,968,117
Financial liabilities	13	115,952,062	129,435,088
- <i>Financial liabilities due to related parties</i>	4	29,215,898	48,832,464
- <i>Financial liabilities due to other parties</i>	13	86,736,164	80,602,624
Other payables	9	74,834	78,868
Long term provisions		1,049,438	817,367
- <i>Provisions for employee benefits</i>	17	1,049,438	817,367
Deferred tax liabilities	24	7,598,081	5,636,794
Shareholders’ equity		79,490,538	71,180,903
Equity attributable to owners of the parent		62,551,785	53,853,589
Share capital	18	32,153,606	32,000,000
Share premium	18	439,820	-
Loss/ (profit) items that will not be reclassified to profit or loss		(56,823)	83,900
- <i>Actuarial gains from employee benefits</i>	18	(56,823)	83,900
Profit/ (loss) items that will be reclassified to profit or loss		4,279,541	2,039,887
- <i>Revaluation fund</i>	18	-	(625,541)
- <i>Currency translation differences</i>	18	4,279,541	2,665,428
Retained earnings	18	19,786,051	9,652,971
Net income for the period	18	5,949,590	10,076,831
Non-controlling interests		16,938,753	17,327,314
Total liabilities and shareholders’ equity		273,174,750	259,418,975

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

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(Amounts expressed in Turkish lira (“TRY”) unless otherwise indicated.)

	Notes	1 January - 31 December 2014	1 January - 31 December 2013
PROFIT OR LOSS			
Sales		184,144,830	176,065,049
- <i>Sales</i>	19	113,016,051	91,236,562
- <i>Service income</i>	19	89,552,484	123,414,927
- <i>Deductions from services income</i>	19	(18,423,705)	(38,586,440)
Cost of sales	19	(109,217,059)	(88,500,442)
Gross profit		74,927,771	87,564,607
Marketing, selling and distribution expenses	20	(960,118)	(1,001,417)
General administrative expenses	20	(55,692,244)	(62,477,241)
Other operating income	21	190,244	1,016,634
Other operating expense	21	(567)	(71,709)
Operating profit		18,465,086	25,030,874
Share of profit/ (loss) of investments accounted for using the equity method	7	2,560,417	(706,392)
Profit before financial expenses		21,025,503	24,324,482
Financial income	22	20,922,638	30,210,301
Financial expenses	23	(32,591,033)	(34,111,764)
Profit before tax from continuing operations		9,357,108	20,423,019
Tax expense from continuing operations			
- Tax expense for the period	24	(1,433,715)	(3,942,858)
- Deferred tax income/ (expense)	24	235,303	(922,206)
Profit from continuing operations		8,158,696	15,557,955
Profit attributable to:			
Equity holders of the parent		5,949,590	10,076,831
Non-controlling interests		2,209,106	5,481,124
Total profit		8,158,696	15,557,955
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss		(208,849)	111,867
Actuary (losses)/gains from employee benefits		(261,061)	139,833
Deferred tax income/ (expense)		52,212	(27,966)
Items that will be reclassified to profit or loss		2,441,363	1,898,665
Change in value of available for sale financial assets		827,250	(834,055)
Currency translation differences		1,614,113	2,732,720
Other comprehensive income		2,232,514	2,010,532
Total comprehensive income		10,391,210	17,568,487
Total comprehensive income attributable to:			
Equity holders of the parent		8,048,521	12,267,910
Non-controlling interests		2,342,689	5,300,577
Total comprehensive income		10,391,210	17,568,487

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

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

		Attributable to owners			of the parent						
	Notes	Paid capital	Share premium	Actuarial gains/ (losses) from employee benefits	Revaluation fund	Currency translation differences	Retained earnings	Net income for the period	Total	Non-controlling interests	Total equity
1 January 2013		32,000,000	-	-	-	(67,292)	165,150	9,687,698	41,785,556	12,066,857	53,852,413
Transactions with non-controlling interests		-	-	-	-	-	(199,877)	-	(199,877)	(40,120)	(239,997)
Transfer to reserves	18	-	-	-	-	-	9,687,698	(9,687,698)	-	-	-
Net income for the period		-	-	-	-	-	-	10,076,831	10,076,831	5,481,124	15,557,955
Other comprehensive income	18	-		83,900	(625,541)	2,732,720	-	-	2,191,079	(180,547)	2,010,532
31 December 2013		32,000,000	-	83,900	(625,541)	2,665,428	9,652,971	10,076,831	53,853,589	17,327,314	71,180,903
1 January 2014		32,000,000	-	83,900	(625,541)	2,665,428	9,652,971	10,076,831	53,853,589	17,327,314	71,180,903
Capital increase	18	153,606	439,820	-	-	-	-	-	593,426	-	593,426
Transactions with non-controlling interests		-	-	-	-	-	56,249	-	56,249	18,750	74,999
Dividend paid		-	-	-	-	-	-	-	-	(2,750,000)	(2,750,000)
Transfer to reserves	18	-	-	-		-	10,076,831	(10,076,831)	-	-	-
Net income for the period		-	-	-	-	-	-	5,949,590	5,949,590	2,209,106	8,158,696
Other comprehensive income	18	-		(140,723)	625,541	1,614,113	-	-	2,098,931	133,583	2,232,514
31 December 2014		32,153,606	439,820	(56,823)	-	4,279,541	19,786,051	5,949,590	62,551,785	16,938,753	79,490,538

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

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Notes	I January - 31 December 2014	I January - 31 December 2013
Cash flows from operating activities			
Net income for the period		5,949,590	10,076,831
Adjustments for to reconcile net income to net cash provided by operating activities:			
Adjustments for depreciation and amortization	14, 15	694,829	724,632
Adjustments for provision for employment termination benefits		289,359	233,133
Adjustments for provision for unused vacation		132,569	166,200
Adjustments for provision for personnel bonus		4,236,374	9,627,709
Adjustments for tax expense		1,198,412	4,865,064
Adjustments for interest income		(4,243,304)	(5,881,207)
Adjustments for dividend income	22	(60,893)	(85,482)
Adjustments for provisions		(3,747,996)	28,913,607
Adjustments for decrease in assets held for sale		1,243	5,671,662
Adjustments for increase in investments accounted through equity method	7	(3,728,157)	(1,292,209)
Effects of exchange rate changes on cash and cash equivalents		1,608,053	3,479,892
Operating profit before changes in assets and liabilities		2,330,079	56,499,832
Adjustments for (increase)/ decrease in financial investments		(2,436,067)	2,000,354
Adjustments for increase in trade receivables		(18,531,507)	(24,623,501)
Adjustments for (increase)/ decrease in other receivables		(312,227)	956,269
Adjustments for increase in other current assets		(533,016)	(763,158)
Adjustments for increase in trade payables		10,514,321	7,026,148
Adjustments for increase in other payables		41,035	5,113,745
Adjustments for decrease in other liabilities		(203,946)	(219,665)
Changes in operating profit		(9,131,328)	45,990,024
Employment termination benefits paid		(318,349)	(149,475)
Bonus paid		(8,366,338)	(5,109,860)
Taxes paid		(2,547,968)	(1,394,890)
A. Cash flows (used in)/ provided by operating activities		(20,363,983)	39,335,799
Net cash provided by investment activities			
Dividends received		60,893	85,482
Interest received		4,884,550	5,137,642
Cash outflows from purchasing property and equipment and intangibles	14, 15	(499,291)	(1,447,064)
B. Net cash provided by investing activities		4,446,152	3,776,060
Cash flows provided by financing activities:			
Cash inflows from the issues of shares and other equity instruments		1,186,852	-
Dividend paid		(8,250,000)	-
Cash inflows/ (outflows) from acquisition and sale of interest in a subsidiary		74,999	(239,997)
C. Net cash used in financing activities		(6,988,149)	(239,997)
D. The effect of change in foreign exchange rates on cash and cash equivalents		(1,608,053)	(3,479,892)
Net (decrease)/increase in cash and cash equivalents (A+B+C+D)		(24,514,033)	39,391,970
E. Cash and cash equivalents at the beginning of the period	5	71,585,365	32,193,395
Cash and cash equivalents at the end of the period (A+B+C+D+E)	5	47,071,332	71,585,365

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

CONVENIENCE TRANSLATION INTO ENGLISH OF EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

I - ORGANISATION AND NATURE OF OPERATIONS

The establishment of ÜNLÜ Finansal Yatırımlar A.Ş. (“Company”) was registered on 3 October 2011 and came into effect after Articles of Association were published in the Trade Registry Gazette numbered. 7915 dated 6 October 2011.

The Company’s share capital is totally paid-in and amounts to TRY32,000,000 which consists of shares with a nominal value of TRY1 each. Of this capital, TRY31,999,996 was paid in cash by Mahmut Levent Ünlü, TRY1 by Kamil Attila Köksal, TRY1 by İbrahim Romano, TRY1 by Can Ünalın and TRY1 was paid in cash by Tahir Selçuk Tuncalı.

As a result of the Ordinary General Assembly meeting held on 23 May 2015, the paid-in capital of the Company was increased from TRY32,000,000 to TRY32,153,606 , and Article 6 of the Company’s Articles of Association was changed. This capital increase was made by issuing shares at a premium, and pre-emptive rights of Mahmut Levent Ünlü and Kamil Attila Köksal were removed.

The Company’s main purpose and field of operation are providing consultancy and researching on financial matters other than taxation, such as technical issues, planning, programming, budgeting, project planning, financial issues, organisation and firm values, and especially on the regulations of domestic and foreign financial markets provided that it does not include investment consultancy as defined in the capital markets legislation; creating investible funds within the Company and investing these funds into shares and other securities issued or to be issued by capital stock companies with the capability and potential of making profit; participating in the capital and management of existing companies or the companies to be founded and operating actively in their investment, financing, organisation and other shared service areas and regulating relevant operations of these companies; making investments; founding new capital stock companies with its own funds for the purpose of commercial investment; establishing new partnerships with those or with third parties and making due attempts thereof; carrying out social service activities both internally and externally; and providing loans or financing outside of the group and performing other operations defined in its Articles of Association.

The address of the Company is; Ahi Evran Cad. Polaris Plaza B Blok No: 21 Kat: 1 Maslak, İstanbul.

Subsidiaries of the Company are ÜNLÜ Menkul Değerler A.Ş. (“ÜNLÜ Menkul”), SU General Partner S.A. (“SUGP”), ÜNLÜ Alternative Asset Management Limited (“UAAM”) (formerly “SU Private Equity Management Ltd”), MENA Finansal Yatırımlar A.Ş. (“Mena”) and Turkish Alternative Investments Limited (“TAIL”).

ÜNLÜ Menkul Değerler A.Ş. was established under the name of Işıklar Menkul Kıymetler A.Ş. on 3 January 1991 in order to carry out operations related to capital markets, in accordance with the Capital Market Law and relevant legislation. After the acquisition of Işıklar Menkul Kıymetler A.Ş. by the shareholders of Dundas Ünlü & Co Ltd on 5 June 2012, its name changed to “Dundas Ünlü Menkul Değerler A.Ş. The name was registered on 28 June 2002 and went into effect after being published in the Trade Registry Gazette No. 5609 on 8 August 2002.

The Capital Markets Board accepted Dundas Ünlü Menkul Değerler A.Ş.’s application for share transfer on 09 August 2007. The share transfer process was completed as of 31 August 2007. In addition, it was resolved to change the trade name of Dundas Ünlü Menkul to “Standard Ünlü Menkul Değerler A.Ş.”.

As a result of, respectively the permission of Capital Markets Board permission No. 2012/35 dated 29 August 2013 and the Extraordinary General Assembly meeting on 30 October 2012, 59,033,300 of Mahmut Levent Ünlü’s shares in ÜNLÜ Menkul Değerler A.Ş. and 179,399,700 shares owned by Standard Bank London Holdings Limited, the Company’s majority shareholder, were transferred to ÜNLÜ Finansal Yatırım A.Ş. In addition, the Company’s name was changed to “ÜNLÜ Menkul Değerler A.Ş.” in its Articles of Association.

SUGP was established in Luxemburg on 14 February 2006. It operates at 127, Rue de Mühlenbach, L-2168 Luxembourg. SUGP provides financial consultancy services to SICAR. As of 01 October 2012, all shares of SUGP had been purchased by ÜNLÜ Finansal Yatırımlar A.Ş. As of 1 October 2012, all to the shares of SUGP had been bought by ÜNLÜ Finansal Yatırımlar A.Ş..

UAAM was established on the Isle of Man in 2006. It operates at 33-37 Athol Street Isle of Man. UAAM provides financial consultancy services. As of 1 October 2012, all shares owned by UAAM had been acquired by ÜNLÜ Finansal Yatırımlar A.Ş..

Mena was established in Turkey on 5 July 2012 and operates at Ahi Evran Cad, Polaris Plaza B Blok No: 21 Kat: 1 Maslak, İstanbul. Mena provides financial consultancy services. ÜNLÜ Finansal Yatırımlar A.Ş., one of the founding shareholders of Mena, owns 74.99% of the shares of Mena.

TAIL was established in Guernsey on 15 August 2014. It operates at Carey House, Les Banques, St Peter Port, Guernsey, GY1 4BZ. TAIL provides financial consulting services. ÜNLÜ Finansal Yatırımlar A.Ş. is the founder of TAIL, and owns 100% of its shares.

For the purposes of the consolidated financial statements, ÜNLÜ Finansal Yatırımlar A.Ş. and its subsidiaries, ÜNLÜ Menkul, Mena, SUGP, UAAM and TAIL are together referred to as (“the Group”). As at 31 December 2014, there are 279 (31 December 2013: 270) employees in the Group.

The consolidated financial statements for the year ending 31 December 2014 were approved by the Board of Directors on 30 April 2015. The General Assembly has the authority to amend the approved this consolidated financial statements.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION

(a) Accounting standards and the compliance to TAS

Attached consolidated financial statements as of 31 December 2014 had been prepared in accordance with clauses of “Principles Statement Related To Financial Reporting In Capital Market” Serie II-I4.1, which had been published in Official Gazette dated 13 June 2013 no. 28676 by Capital Market Board (“CMB”). Turkish Accounting Standards / Turkish Financial Reporting Standards (“TAS/IFRS”) and additions and comments related to these standards (“TAS/IFRS”) which had been constituted by Public Oversight Accounting and Auditing Standards Board (“POA”) had been grounded on relying on the 5. Article of this communiqué.

The Group complies with principles announced by CMB, Turkish Commercial Code (“TCC”), tax legislations and uniform chart of accounts which is published by Ministry of Finance of Turkish Republic, in accounting entries and preparation of legal financial statements. Consolidated financial statements have been prepared based on historical cost principal except of financial asset and liabilities where they are represented in fair values. Consolidated financial statements have been prepared via reflecting to legal records which were prepared according to historical cost principal, with required correction and classifications in order to be truly presented in accordance with TAS.

(b) New standards and amendments, and interpretations

The Group 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 2015.

Standards, amendments and IFRIC’s interpretations applicable to 31 December 2014 year ends:

- Amendment to IAS 32, ‘Financial instruments: Presentation’, on offsetting financial assets and financial liabilities, effective from annual periods beginning on or after 1 January 2014.

This 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.

- Amendments to IAS 36, ‘Impairment of assets’, effective from annual periods beginning on or after 1 January 2014. These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

- Amendment to IAS 39 ‘Financial instruments: Recognition and measurement’, on novation of derivatives and hedge accounting, effective from annual periods beginning on or after 1 January 2014. These narrow-scope amendments allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is notated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met.

- IFRIC 21, ‘Levies’, effective from annual periods beginning on or after 1 January 2014. This interpretation is on IAS 37, ‘Provisions, contingent liabilities and contingent assets’. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

- Amendments to IFRS 10, ‘Consolidated financial statements’, IFRS 12 and IAS 27 for investment entities, effective from annual periods beginning on or after 1 January 2014. 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.

New IFRS standards, amendments and IFRICs effective after 1 January 2015:

- Annual improvements 2012; is effective for annual periods beginning on or after 1 July 2014. The amendments include changes from 2011-2-13 cycle of the annual improvements project that affect 4 standards:
- IFRS 2, “Share-based payment”
- IFRS 3, “Business Combination”
- IFRS 8, “Operating Segments”
- IFRS 13, “Fair value measurement”
- IAS 16, “Tangible Assets and TAS/IAS 38, Intangible Assets”
- IFRS 9, “Financial Instruments: TAS/IAS 37, Provisions, Contingent Assets and Liability”
- IAS 39, “Financial Instruments-Recognition and Measurement”

- Annual improvements 2013; is effective for annual periods beginning on or after 1 July 2014. The amendments include changes from 2011-2-13 cycle of the annual improvements project that affect 4 standards:
- IFRS 1, “First time adoption”
- TFRS 3, “Business Combinations”
- TFRS 13, “Fair Value Measurement”
- TMS 40, “Investment Properties”.

- TFRS/IFRS 14, “Regulatory deferral accounts”, is effective for annual periods beginning on or after 1 July 2016. ‘Regulatory deferral accounts’ permits first-time adopters to continue to recognize amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt TFRS/IFRS. However, to enhance comparability with entities that already apply TFRS/IFRS and do not recognize such amounts, the standard requires that the effect of rate regulation must be presented separately from other items.

- TFRS/IFRS 11 (amendments), “Joint Arrangements”, is effective for annual periods beginning on or after 1 July 2016. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.

- Amendment to IAS 16, ‘Property, plant and equipment’ and IAS 38, ‘Intangible assets’, on depreciation and amortization, effective from annual periods beginning on or after 1 January 2016. In this amendment the it has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. It is also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

- Amendments to IAS 27, ‘Separate financial statements’ on the equity method, effective from annual periods beginning on or after 1 January 2016. These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

- Amendments to IFRS 10, ‘Consolidated financial statements’ and IAS 28, ‘Investments in associates and joint ventures’, effective from annual periods beginning on or after 1 January 2016. These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

- TFRS/IFRS 15, “Revenue from contracts with customers”, is effective for annual periods beginning on or after 1 July 2017. The International Accounting Standards Board (IASB) and the US national standard-setter, the Financial Accounting Standards Board (FASB), initiated a joint project to clarify the principles for recognizing revenue and to develop a common revenue standard for IFRS and US GAAP. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The new model employs an asset and liability approach, rather than current revenue guidance focuses on an ‘earnings processes.

- TFRS/IFRS 9 “Financial instruments” - classification and measurement; is effective for annual periods beginning on or after 1 January 2018. This standard on classification and measurement of financial assets and financial liabilities will replace TAS/IAS 39, “financial instruments: Recognition and measurement”. TFRS/IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. For liabilities, the standard retains most of the TAS/IAS 39 requirements. These include amortized-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. This change will mainly affect financial institutions.

- Amendments to IAS 16 ‘Property, plant and equipment’, and IAS 41, ‘Agriculture’, regarding bearer plants.

- Amendment to IAS 19 regarding defined benefit plans; ; is effective for annual periods beginning on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

- Annual improvements 2014, effective from annual periods beginning on or after 1 January 2016. These set of amendments impacts 4 standards:
- IFRS 5, ‘Non-current assets held for sale and discontinued operations’ regarding methods of disposal.
- IFRS 7, ‘Financial instruments: Disclosures’, (with consequential amendments to IFRS 1) regarding servicing contracts.
- IAS 19, ‘Employee benefits’ regarding discount rates.
- IAS 34, ‘Interim financial reporting’ regarding disclosure of information.

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

(c) Comparative figures and the reclassification to the financial statements of the prior period

In order to determine the financial status and performance trends, the consolidated financial statements of the Group have been prepared in comparison with the consolidation financial statements of previous periods. The Group prepared its consolidated statement of financial position as of 31 December 2014 in comparison with the consolidated statement of financial position prepared as of 31 December 2013; prepared consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows between 1 January - 31 December 2014 in comparison with 1 January - 31 December 2013. Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

(d) Functional and presentation currency

The consolidated financial statements of the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in Turkish Lira, which is the functional and presentation currency of the Group.

(e) Offsetting

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

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

B. CHANGES IN ACCOUNTING POLICIES

Significant changes in accounting policies and accounting errors are applied retrospectively by restating the prior period financial statements. The accounting policies of the Group are not changed within the year of 2014.

C. CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods. The accounting estimates are not changed for the 1 January - 31 December 2014 period.

D. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation
Subsidiaries

The consolidated financial statements of the Company include its subsidiaries, which it controls directly or indirectly. This control is normally evidenced when the Company owns control power, either directly or indirectly, over company’s share capital and is able to govern the financial and operating policies of an enterprise so as to benefit from its activities.

This control power is determined based on current and convertible voting rights. The financial statements of the subsidiaries are consolidated from the beginning of the control power over the subsidiaries to end of that power.

The table below shows all subsidiaries and other companies within the scope of consolidation, and provides their share ratios as of 31 December 2014 and 2013:

Name of the Company	Country	Main activity and service line	Final share ratio	
			31.Dec.14	31.Dec.13
Subsidiaries;				
ÜNLÜ Menkul Değerler A.Ş. (“ÜNLÜ Menkul”) (1)	Turkey	Intermediary services	75.00%	75.00%
ÜNLÜ Portföy Yönetimi A.Ş. (“ÜNLÜ Portföy”)	Turkey	Portfolio management	74.99%	74.99%
DU Finansal Danışmanlık Hizmetleri A.Ş. (“DU Finans”)	Turkey	Financial consultancy	74.99%	74.99%
PLATO Finansal Danışmanlık Servisleri A.Ş. (“PLATO Finans”)	Turkey	Financial consultancy	54.44%	54.44%
İSTANBUL Varlık Yönetim A.Ş. (“İSTANBUL Varlık”) (2)	Turkey	Asset management	74.99%	74.99%
MENA Finansal Yatırımlar A.Ş. (“MENA Finans”) (*)	Turkey	Financial consultancy	74.99%	99.99%
SU General Partners S.A. (“SUGP”)	Luxembourg	Financial consultancy	100.00%	100.00%
ÜNLÜ Alternative Asset Management Ltd.(“UAAM”)	Isle of Man	Financial consultancy	100.00%	100.00%
Turkish Alternative Investments Limited (“TAIL”) (**) (3)	Guernsey	Financial consultancy	100.00%	-
Associates presented in the financial statements with equity method;				
SU Turkish Private Equity Oppor. I. S.C.A. (“SICAR”) (***) (4)	Luxembourg	Private equity	11.99%	11.77%
ÜNLÜ LT Investments Limited Partnership (“ÜNLÜ LT”) (**) Guernsey	Guernsey	Private equity	9.09%	-

(*) As of 17 March 2014, the Company sold shares of Mena Yatırımlar A.Ş. to Şebnem Kalyoncuoğlu Ünlü with a nominal value of 74,999 for TRY74,999 and decreased its shareholding ratio in MENA Finansal Yatırımlar A.Ş. to 74.99%.

(**) TAIL was established on 15 August 2014 and its founding partner, which owns 100% of its shares, is ÜNLÜ Finansal Yatırımlar A.Ş..

(***) Within the scope of the share transfer agreement dated 2 June 2014 and signed with Mahmut Levent Ünlü, who is the main partner of the Company, the Company purchased Mahmut Levent Ünlü’s 0.22% share in SICAR, for USD81,285 (TRY173,683), and increased its share in SICAR to 11.99%.

- (1) ÜNLÜ Menkul owns 100% of the shares in ÜNLÜ Portföy, DU Finans, and İSTANBUL Varlık.
(2) On 24 December 2014, ÜNLÜ Menkul transferred its 72.59% share in PLATO Finans to İSTANBUL Varlık.
(3) TAIL owns 9.09% of the shares in ÜNLÜ LT.
(4) SICAR is a 100% affiliate of Turkish Holdings I Coöperatief UA (“THI”), Turkish Holdings III Coöperatief UA, and Turkish Holdings IV Coöperatief UA. THI owns 100% of Bosphorus Investments B.V. (“Bosphorus”). On 2 January 2014, Bosphorus sold its 70% share in Fida Film Yapım Dağıtım ve Reklamcılık A.Ş. (“Fida”) to the other shareholder of Fida, who owns non-controlling interest shares, and Bosphorus left this investment. THI owns 100% of Ice Cream Investments B.V. (“Ice Cream”). Ice Cream’s 8.30% share in Natura Gıda Sanayi ve Ticaret A.Ş. (“Natura”) increased to 17.20% on November 2014. THIV owns 100% of Golden Horn Investments B.V. (“Golden”). Golden is a 10% affiliate of Şok Marketler A.Ş. (“Şok”). SICAR shows the investments of Fida, Natura, and Şok with their fair value.

Subsidiaries’ balance sheet and comprehensive income statements are combined with consolidated statements of the Company and the carrying amount of the Group’s investment in each subsidiary and the Group’s portion of the cost value of the capital of each subsidiary are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

(b) Revenue recognition

(i) Fee and commission income and expenses

Fees and commissions are recorded as income or expense at the time the transactions to which they relate are made. Furthermore, funds management fees and portfolio management fees are recognized on an accrual basis. Common stock transaction commissions are netted off with commission returns. The Group records income from the sales of securities in its portfolio when the sales are conducted. Service income comprises of the commission income arising from financial services provided by the Group including brokerage services and portfolio management services. Commission income is recognized when the corresponding service is rendered. Performance fee income included in service income is recognized on an accrual basis, when the yield of the corporate portfolio managed by ÜNLÜ Portföy is higher than “Benchmark Criteria” mentioned in the related agreement. Other income and expenses are recognized on an accrual basis.

(ii) Interest income and expenses and dividend income

Interest income and expenses are recognized in the income statement in the period to which they relate on an accrual basis. Interest income includes coupons earned on fixed income investment securities and amortization of discounts on government bonds.

Dividend income from common stock investments are recognized when the shareholders have the right to take the dividend.

Interest on loans is reflected in the consolidated financial statements over values of collection estimates of loans and receivables discounted via the effective interest method. The differences between the current net value and the book value of calculated collection estimates of loan portfolios are recorded under the item of “Interest income from loans” in the “Service income” account.

(c) 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

The related assets are valued by fair value in the periods following their recording to the books. 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 calculated by effective interest rate is taken into account as fair value.

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.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

(d) 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 8).

(e) Trade payables

Trade payables refer to the obligatory payments for the goods and services obtained by the suppliers for the ordinary activities of the company. If the time period for the trade receivables to be paid is one year or less (or if it is longer, but is within the normal operating cycle of the company), these receivables are classified as short term liabilities. If not, they are classified as long term liabilities.

Trade payables are recorded with their fair values and recognized in the accounts of the following periods, through use of the effective interest rate method over discounted value, by allocation of a provision for impairment (Note 8).

(f) 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.

(g) 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 12).

(h) 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	shorter 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.

(i) 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.

(j) 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.

The Group's loans under follow-up are comprised of non-performing loans purchased from banks and other financial institutions operating in Turkey. Loans and receivables are recognized as the estimated future cash flows discounted using the effective interest method in the financial statements.

The difference between the net present value of estimated future cash flows discounted using the effective interest rate and the carrying value of loan portfolios is recognized in the income statement as interest income.

The Group determined impairment losses based on the discounted cash flows projections expected to be derived from the future cash flows of non-performing corporate loans. The discount rates used to determine impairment losses is the expected return at the acquisition date of the portfolio. If the estimated discounted future cash flows are lower than the acquisition cost of the non-performing loans, impairment of financial assets is recognized.

If the Group does not perform any collection from the individual loans under follow up during the period between the acquisition date and the balance sheet date, impairment of financial assets is recognized in the financial statements in accordance with the number of days elapsed detailed below:

Number of days	Provision rate %
Up to 180 days	20
Between 180-360 days	50
Over 360 days	75-100

(k) Financial liabilities

Except for the liabilities related to financial instruments which are defined as financial liabilities held for trading and classified at their fair values, financial liabilities are recognized at their acquisition costs including the transaction cost and appraised at their discounted values calculated through “effective interest rate method” in the subsequent periods.

All financial expenses are recorded in the income statement and other comprehensive income statement in the period when they arise.

(l) Foreign exchange transactions

Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. As of 31 December 2014 foreign currency at the end of the period for USD transactions is TRY2.8207 (31 December 2013: TRY2.9365), for EUR transactions, it is TRY2.3189 (31 December 2013: TRY2.1343).

Any foreign exchange transactions which had converted to Turkish currency will be disclosed in “Foreign exchange gain/loss” item which is held in income statement.

With respect to the consolidated financial statements, assets and liabilities of the subsidiaries in foreign currency have been translated into TRY with the closing exchange rate at the balance sheet date. Profit/Loss items of the subsidiaries have been translated into TRY with average exchange rate of the reporting period. The resulting translation differences amounted to TRY4,328,985 is recognized in other comprehensive income and presented under the equity in the balance sheet (31 December 2013: TRY2,665,428 foreign currency loss).

(m) 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 16).

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.

2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

(n) 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. Payables arising from financial leasing agreements are shown under “Finance lease payables” in the financial position statement.

(o) 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).

(p) 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 4).

(r) 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 24).

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 24).

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.

Deferred tax charges except for the ones that are accounted under the equity in the form of other reserves and the current tax balances accrued for the related reporting periods are directly recognized as income or expense in the statement of income.

(s) Employee benefits

The Group accounts liabilities related to severance pay, vacation rights and other benefits for employees according to the clause “International Accounting Standard related to Employee Benefits” (“IAS 19”) and classifies as “Provisions for employee benefits” at the balance sheet.

The Group 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 17).

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.

Turkish Accounting Standards 19 (“TAS 19”), Employee Termination Benefits, was revised as of 1 January 2013. In this context, actuarial gain/loss related to employee termination benefit provision is classified under other comprehensive income.

Due to the permission given about the amendment applied to the previous period financials under the title of related standard “Transition and effective date”, the Company has accounted actuarial gains and losses under the “Other comprehensive income”, and other accumulated gains and losses were presented under the “Equity” in the name of “Actuarial losses from employee termination benefits” in the statement of financial position within the related period.

(t) Cash flow statement

For the purposes of cash flow statement, the Group considers cash due from banks with maturity periods of less than three months and mutual funds with a maturity of no more than three months (Note 5).

(u) 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 cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating 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 15).

E. SIGNIFICANT ACCOUNTING ASSESSMENTS, ESTIMATES AND ASSUMPTIONS

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:

- Note 8 - Trade receivables and payables
- Note 16 - Provisions, contingent assets and liabilities
- Note 17 - Provision for employee benefits
- Note 24 - Tax assets and liabilities

Receivables to be liquidated: The financial assets of the Group, which are composed of non-performing receivables for goods purchased, are reflected in the balance sheet with their cost values and in order to determine their carrying values in the balance sheet, important projections, assumptions, and evaluations are made regarding the future estimated collections. Changes that might arise in these projections and assumptions in the following periods will affect the relevant period’s profit/loss. The Group closely follows up on projections for future collections, and these projections and assumptions are reviewed and updated when necessary.

3 - SEGMENT REPORTING

Reporting of operating segments is organized on competent authority of activities based on uniformity. The executive committee, which is responsible for decision making of regarding the business activities of the decisions about resources to be allocated to the competent authority of department and evaluating performance of the department, is determined as competent authority for decision-making mechanism regarding to the company’s activities.

One of the Group’s subsidiaries, ÜNLÜ Menkul, engaged in brokerage activities in the capital markets in Turkey. DU Finans, PLATO Finans and İSTANBUL Varlık give consultancy services regarding asset management. The Group’s other subsidiary, ÜNLÜ Portföy, operates in corporate and individual portfolio management segment. SUGP, UAAM and TAIL operate in private equity sector; the Company operates as investment holding.

As at 31 December 2014 and 2013, segment reporting is prepared based on the brokerage, portfolio management activities and consultancy services.

3 - SEGMENT REPORTING (Continued)

	Brokerage, corporate finance and portfolio management services	Asset management, consultancy services	Private equity	Investment holding services	Eliminations	Total
31 December 2014						
Net sales						
Sales	109,441,103	-	3,574,948	-	-	113,016,051
Sales income	37,128,862	52,423,622	1,763,321	-	(1,763,321)	89,552,484
Deductions from services income	(389,907)	(18,033,798)	-	-	-	(18,423,705)
Cost of sales	(109,217,059)	-	-	-	-	(109,217,059)
Gross profit	36,962,999	34,389,824	5,338,269	-	(1,763,321)	74,927,771
General administrative, marketing, selling and distribution expense	(32,819,730)	(20,754,244)	(4,493,914)	(347,795)	1,763,321	(56,652,362)
Other operating income/(expenses),net	190,244	-	-	(567)	-	189,677
Operating profit	4,333,513	13,635,580	844,355	(348,362)	-	18,465,086
Shares of profit of investments accounted through equity method	-	-	2,560,417	-	-	2,560,417
Profit before financial expenses	4,333,513	13,635,580	3,404,772	(348,362)	-	21,025,503
Financial income	10,609,609	8,221,832	47,595	10,293,602	(8,250,000)	20,922,638
Financial expenses	(11,528,442)	(14,994,099)	(35,448)	(6,033,044)	-	(32,591,033)
Profit before tax from continuing operations	3,414,680	6,863,313	3,416,919	3,912,196	(8,250,000)	9,357,108
Tax expense	(1,279,574)	(101,428)	(52,713)	-	-	(1,433,715)
Deferred tax income/(expense)	43,590	(1,269,943)	-	1,461,656	-	235,303
Profit from continuing operations	2,178,696	5,491,942	3,364,206	5,373,852	(8,250,000)	8,158,696
Items that will not be reclassified to profit or loss	(137,641)	(71,208)	-	-	-	(208,849)
Actuary gains from employee benefits	(172,051)	(89,010)	-	-	-	(261,061)
Deferred tax expense	34,410	17,802	-	-	-	52,212
Items that will be reclassified to profit or loss	827,250	-	1,614,113	-	-	2,441,363
Available for sale financial assets valuation difference	919,167	-	-	-	-	919,167
Available for sale financial assets valuation difference tax effect	(91,917)	-	-	-	-	(91,917)
Currency translation differences	-	-	1,614,113	-	-	1,614,113
Other comprehensive income	689,609	(71,208)	1,614,113	-	-	2,232,514
Total comprehensive income	2,868,305	5,420,734	4,978,319	5,373,852	(8,250,000)	10,391,210
Operating segment assets	88,464,300	129,867,681	9,378,060	86,243,005	(40,778,296)	273,174,750
Operating segment liabilities	32,553,767	119,410,014	3,657,887	41,223,969	(3,161,425)	193,684,212
Purchase of tangible and intangible assets	274,806	206,854	16,601	1,030	-	499,291
Depreciation and amortization	379,427	297,790	8,051	9,561	-	694,829

	Brokerage, corporate finance and portfolio management services	Asset management, consultancy services	Private equity	Investment holding services	Eliminations	Total
31 December 2013						
Net sales						
Sales	88,632,732	-	2,603,830	-	-	91,236,562
Sales income	49,927,741	73,487,186	2,304,529	-	(2,304,529)	123,414,927
Deductions from services income	-	(38,586,440)	-	-	-	(38,586,440)
Cost of sales	(88,500,442)	-	-	-	-	(88,500,442)
Gross profit	50,060,031	34,900,746	4,908,359	-	(2,304,529)	87,564,607
General administrative, marketing, selling and distribution expense	(36,045,684)	(23,163,758)	(6,231,690)	(462,160)	2,424,634	(63,478,658)
Other operating income/(expenses),net	-	1,016,634	-	48,396	(120,105)	944,925
Operating profit	14,014,347	12,753,622	(1,323,331)	(413,764)	-	25,030,874
Shares of loss of investments accounted through equity method	-	-	(706,392)	-	-	(706,392)
Profit before financial expenses	14,014,347	12,753,622	(2,029,723)	(413,764)	-	24,324,482
Financial income	20,418,287	8,631,222	79,274	1,081,518	-	30,210,301
Financial expenses	(6,248,478)	(20,142,857)	(42,581)	(7,677,848)	-	(34,111,764)
Profit before tax from continuing operations	28,184,156	1,241,987	(1,993,030)	(7,010,094)	-	20,423,019
Tax expense	(3,692,760)	(215,991)	(34,107)	-	-	(3,942,858)
Deferred tax expense	(199,759)	(474,020)	(258,441)	10,014	-	(922,206)
Profit from continuing operations	24,291,637	551,976	(2,285,578)	(7,000,080)	-	15,557,955
Items that will not be reclassified to profit or loss	193,778	(81,911)	-	-	-	111,867
Actuary gains from employee benefits	242,223	(102,390)	-	-	-	139,833
Deferred tax expense	(48,445)	20,479	-	-	-	(27,966)
Items that will be reclassified to profit or loss	(834,055)	-	2,732,720	-	-	1,898,665
Available for sale financial assets valuation difference	(926,728)	-	-	-	-	(926,728)
Available for sale financial assets valuation difference tax effect	92,673	-	-	-	-	92,673
Currency translation differences	-	-	2,732,720	-	-	2,732,720
Other comprehensive income	(640,277)	(81,911)	2,732,720	-	-	2,010,532
Total comprehensive income	23,651,360	470,065	447,142	(7,000,080)	-	17,568,487
Operating segment assets	90,577,482	121,038,071	7,564,378	82,999,194	(42,760,150)	259,418,975
Operating segment liabilities	30,936,333	112,085,256	3,076,606	44,217,229	(2,077,352)	188,238,072
Purchase of tangible and intangible assets	973,496	456,895	10,143	6,530	-	1,447,064
Depreciation and amortization	384,082	327,782	8,455	4,313	-	724,632

CONVENIENCE TRANSLATION INTO ENGLISH OF EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

4 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Balances with related parties

	31 December 2014	31 December 2013
Financial investments:		
Financial assets held for trading (Note 6)		
- ÜNLÜ Menkul Değerler AŞ Serbest Yatırım Fonu	646,217	518,650
- ÜNLÜ Menkul Değerler AŞ Özel Serbest Yatırım Fonu	539,050	502,700
- ÜNLÜ Menkul Değerler AŞ B Tipi Değişken Fonu	-	1,639,605
	1,185,267	2,660,955
Available-for-sale financial assets (Note 6)		
- ÜNLÜ Private Equity GP Limited	1,581,490	1,312,802
- 212 Capital Partners I Coöperatief U.A.	1,176,217	857,596
- 212 Limited (Cayman Island)	5,674	5,674
	2,763,381	2,176,072
Due from related parties:		
Trade receivables (Note 8)		
- Su Turkish Private Equity Opportunities I, S.C.A., SICAR	3,491,220	1,820,951
- Standard Bank Plc.	2,868,589	2,434,418
- ÜNLÜ LT Investments Limited Partnership	785,754	-
	7,145,563	4,255,369
Other receivables (Note 9)		
- Receivables from personnel	582,229	269,488
	582,229	269,488
Due to related parties:		
Financial liabilities (Note 13)		
- Standard Bank London Holding Ltd.	36,073,636	49,834,158
	36,073,636	49,834,158
Other short-term payables (Note 9)		
- Payables to shareholders - Mahmut Levent Ünlü	3,897,560	4,405,225
- Payables to personnel	472,953	586,478
	4,370,513	4,991,703

b) Transactions with related parties

	1 January - 31 December 2014	1 January - 31 December 2013
Income from related parties:		
Revenue (Consultancy income)		
- Su Turkish Private Equity Opportunities I, S.C.A., SICAR	2,042,510	2,800,861
- ÜNLÜ LT Investments Limited Partnership	1,532,438	-
	3,574,948	2,800,861
Service income (Commission income)		
- ÜNLÜ Menkul Değerler AŞ B Tipi Değişken Fonu	1,248,679	393,520
- ÜNLÜ Menkul Değerler AŞ Serbest Yatırım Fonu	211,838	45
- ÜNLÜ Menkul Değerler AŞ Özel Serbest Yatırım Fonu	4,336	-
- ÜNLÜ Menkul Değerler AŞ A Tipi Değişken Fonu	2,475	2,632
	1,467,328	396,197
Service income (Corporate finance income)		
- Standard Bank Plc.	5,316,691	11,091,880
- SBG Securities	753,771	-
	6,070,462	11,091,880
Financial income (Dividend income)		
- 212 Limited	60,871	85,482
	60,871	85,482
Expenses to related parties:		
Financial expenses		
- Standard Bank Plc.	886,631	2,006,704
	886,631	2,006,704

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

Top management consists of general manager, vice general manager, directors and other top management members. For the year ended 31 December 2014, the total amount of salary and other benefits provided to the top management by the Group is TRY13,832,296 (1 January - 31 December 2013: TRY18,470,931).

5 - CASH AND CASH EQUIVALENTS

	31 December 2014	31 December 2013
Cash on hand	33,010	27,378
Cash at banks (*)	64,553,636	79,006,589
<i>Demand deposit</i>	1,939,716	4,766,789
<i>Time deposit</i>	62,613,920	74,239,800
Receivables from reverse repurchase agreements (**)	1,000,054	457,367
B type liquid funds	239,250	316,704
	65,825,950	79,808,038

(*) Bank deposits include TRY18,626,235 (31 December 2013: TRY8,078,585) of bank deposits that belong to customers but which are kept in the Group's own accounts (Note 8).

(**) As of 31 December 2014, the maturity of reverse repurchase agreements is 2 January 2015 and the weighted average interest rate of reverse repurchase agreements is 9.31% (31 December 2013: 10.15%).

As of 31 December 2014 and 2013, the details of the time deposits are as follows:

Currency	31 December 2014			31 December 2013		
	Original amount	Amount in TRY	Interest rate (%)	Original amount	Amount in TRY	Interest rate (%)
TRY	41,288,609	41,280,426	9.57-10.50	48,740,010	48,740,010	6.00-9.30
USD	9,036,081	20,953,769	1.05-2.25	11,776,167	25,133,872	1.00-2.00
GBP	105,594	379,725	1.50	104,209	365,918	1.50
		62,613,920			74,239,800	

Cash and cash equivalents of the Group are shown in cash flow statements in 31 December 2014 and 2013 by deducing interest accruals and customer deposits is as follows:

	31 December 2014	31 December 2013
Cash and cash equivalents	65,825,950	79,808,038
Customer deposits	(18,626,235)	(8,078,585)
Interest accruals	(128,383)	(144,088)
	47,071,332	71,585,365

As of 31 December 2014 and 2013, there is no restriction on cash and cash equivalents.

6 - FINANCIAL INVESTMENTS

Short term financial investments

	31 December 2014	31 December 2013
Financial assets held for trading	6,263,700	4,438,431
Available for sale financial assets	1,181,891	863,270
Assets due from derivative instruments (Note 16)	-	134
	7,445,591	5,301,835

As of 31 December 2014 and 2013, marketable securities are as follows:

	31 December 2014			31 December 2013		
	Nominal	Fair value	Interest rate (%)	Nominal	Fair value	Interest rate (%)
Government bonds	400,000	394,162	8.28	300,000	276,422	9.67
Private sector cooperate bonds	4,520,000	4,684,271	12.38	1,400,000	1,501,054	14.59
Investment funds	106,056,338	1,185,267	-	172,356,330	2,660,955	-
		6,263,700			4,438,431	

As of 31 December 2014 and 2013, securities given as collateral are as follows (Note 16):

	31 December 2014		31 December 2013	
	Nominal value	Fair value	Nominal value	Fair value
BIST treasury bills and government bonds market	200,000	186,048	200,000	184,264
CMB	200,000	208,114	100,000	92,158
	400,000	394,162	300,000	276,422

6 - FINANCIAL INVESTMENTS (Continued)

Details of available-for-sale financial assets are as follows:

	31 December 2014		31 December 2013	
	Share rate	Share amount	Share rate	Share amount
	%	TRY	%	TRY
212 Capital Partners I Coöperatief U.A. (*)	3.31	1,176,217	3.31	857,596
212 Limited (Cayman Island)	32.50	5,674	32.50	5,674
		1,181,891		863,270

(*)As of 31 December 2014, the total contingent capital amount that is subject to capital increase in the following periods is USD30,200,000 for all 212 Capital Partners I Coöperatief U.A. shareholders, whose shares are classified by the Company as available-for-sale financial assets with a 3.31% share rate. As of 31 December 2014, a capital increase through rights issues was made in 2014, and ÜNLÜ Finansal Yatırımlar A.Ş. paid USD150,000 in total (USD100,000 on 9 May 2014 and USD50,000 on 22 September 2014) into this increase, which corresponds to TRY318,621 (Note 16).

As of 31 December 2014, the available-for-sale financial assets of the Group, which equal to TRY1,181,891 (31 December 2013: TRY863,270), are shown with their cost values since the fair values are not reliably measured.

Long term financial investments

	31 December 2014	31 December 2013
Available-for-sale financial assets		
Unquoted share certificates	1,741,201	1,472,513
	1,741,201	1,472,513

Details of available-for-sale financial assets are as follows:

	31 December 2014	31 December 2013
ÜNLÜ Private Equity GP Limited (*)	1,581,490	1,312,802
Borsa İstanbul A.Ş. ("BIST")	159,711	159,711
	1,741,201	1,472,513

(*)ÜNLÜ Alternative Asset Management Limited, which is a direct subsidiary of ÜNLÜ Finansal Yatırımlar A.Ş., obtained 682,000 non-voting privileged shares, equal to USD1 each, in return for payment made to ÜNLÜ Private Equity GP Limited.

7 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

Investments in associates

	31 December 2014	31 December 2013
SICAR	15,324,920	11,423,080
ÜNLÜ LT (*)	23,623	-
	15,348,543	11,423,080

(*) As of 31 December 2014, the total contingent capital amount which is subject to capital increase in the following periods, for all shareholders of ÜNLÜ LT Investments Limited Partnership that are the shares which are classified by the Company's subsidiary TAIL as investments valued with equity methods with a 9.09% share rate, is USD110,000,000 (Note 16).

		31 December 2014	31 December 2013
Associates	Main activity	Share %	Share %
SICAR	Private equity	11.99	11.77
ÜNLÜ LT	Private equity	9.09	-

Since SICAR constitutes a significant part of the investments valued with equity methods, a summary of the financial information on SICAR is provided below:

	31 December 2014	31 December 2013
Total assets	131,479,731	99,038,595
Total liabilities (-)	3,665,555	1,986,088
Net assets	127,814,176	97,052,507
Share in net assets of the associate	15,324,920	11,423,080
Total share of the Company in the net assets of the subsidiaries	15,324,920	11,423,080
	1 January - 31 December 2014	1 January - 31 December 2013
Profit / (loss) for the period	22,365,737	(6,001,635)
	1 January - 31 December 2014	1 January - 31 December 2013
At the beginning of the period	11,423,080	10,130,871
Share of the profit/ (loss)	2,560,417	(706,392)
Additional share acquisition	173,683	-
Currency translation differences	1,167,740	1,998,601
Total change in the associate in accordance with equity method	3,901,840	1,292,209
Period end	15,324,920	11,423,080

8 - TRADE RECEIVABLES AND PAYABLES

	31 December 2014	31 December 2013
Short term trade receivables		
Receivables to be liquidated (*)	213,490,842	187,315,885
Specific provisions	(89,076,177)	(71,042,379)
Receivables on consultancy services	10,357,615	3,125,565
Trade receivables due from related parties (Note 4)	7,145,563	4,255,369
Notes receivables	240,000	-
Other	51,340	23,236
	142,209,183	123,677,676

(*)Loans and receivables of İSTANBUL Varlık, subsidiary of the Company, are recorded to financial statements at their amortized values by using collection expectations through effective interest method. The Group discloses in its consolidated financial statements, these loans and receivables at their discounted values by using expected collection estimations through effective interest method. The carrying value of non-performing loans after total provisions allocated is TRY124,414,665 as of 31 December 2014 (31 December 2013: TRY116,273,506).

Movement of specific provisions is as follows:

	31 December 2014	31 December 2013
Specific provisions		
Beginning of the period	71,042,379	32,455,939
Reversed provisions within the period	(15,653,907)	-
Increase during the period	33,687,705	38,586,440
End of the period	89,076,177	71,042,379
	31 December 2014	31 December 2013
Short term trade payables		
Customer deposits (Note 5)	18,626,235	8,078,585
Miscellaneous payables	986,375	967,173
Other trade payables	663,348	715,879
	20,275,958	9,761,637

9 - OTHER RECEIVABLES AND PAYABLES

	31 December 2014	31 December 2013
Short term other receivables		
Foreign receivables	3,147,552	3,664,825
Other receivables due from related parties (Note 4)	582,229	269,488
Deposits and guarantees given	282,908	195,836
Other	558,857	156,322
	4,571,546	4,286,471
	31 December 2014	31 December 2013
Other long term receivables		
Deposits and guarantees given	57,860	30,708
	57,860	30,708
Other short term payables		
Taxes and funds payable	4,762,290	5,881,429
Payables to shareholders (Note 4)	3,897,560	4,405,225
Value Added Tax payables ("VAT")	541,303	607,913
Payables to employees (Note 4)	472,953	586,478
Social security premiums payable	203,369	351,819
Other	49,887	25,497
	9,927,362	11,858,361
Other long term payables		
Other payables	74,834	78,868
	74,834	78,868

10 - PREPAID EXPENSES

	31 December 2014	31 December 2013
Short term prepaid expenses		
Prepaid expenses	420,976	395,133
	420,976	395,133

11 - OTHER ASSETS AND LIABILITIES

	31 December 2014	31 December 2013
Other current assets		
Advances given	1,009,859	471,192
Prepaid taxes and duties	807,707	795,193
Deductible VAT	-	53,924
Other	29,169	19,253
	1,846,735	1,339,562
Other short term liabilities		
Expense accruals	192,386	421,889
	192,386	421,889

12 - ASSETS HELD FOR SALE

	31 December 2014	31 December 2013
Assets held for sale (*)	-	1,243
	-	1,243

(*)Assets held for sale, consist of the real estates and vehicles acquired during the collection of loan payment by İSTANBUL Varlık.

Movement of assets held for sale is as follows:

	31 December 2014	31 December 2013
Assets held for sale:		
Beginning of the period	1,243	5,672,905
Sales made during the period	(1,243)	(5,671,662)
End of the period	-	1,243

13 - FINANCIAL LIABILITIES

	31 December 2014	31 December 2013
Short term financial liabilities		
Borrowings (*)	24,126,769	15,237,852
Financial liabilities due to related parties (Note 4)	6,857,738	1,001,694
Financial lease obligations	42,762	86,609
	31,027,269	16,326,155
Long term financial liabilities		
Borrowings (*)	86,735,489	80,556,288
Financial liabilities due to related parties (Note 4)	29,215,898	48,832,464
Financial lease obligations	675	46,336
	115,952,062	129,435,088

(*) The Group has borrowings amounting to TRY33,824,337 (31 December 2013: TRY39,906,720) which do not have fixed interest rates. Each of these borrowings is individually matched with the loan portfolios purchased. Principal and interest payments of these borrowings are calculated based on collection performance of each loan portfolio. In accordance with the agreements, the Company is obliged to pay the principal and interest within the following month of each quarter and on the second business day following the end of each quarter. The interest rates of these borrowings are limited to 30%. Borrowings have 3-4 years maturity and have fixed rates.

Details of borrowings are as follows:

Currency of borrowings	31 December 2014			31 December 2013		
	Original amount	Amount in TRY	Interest rate (%)	Original amount	Amount in TRY	Interest rate (%)
TRY	110,862,258	110,862,258	11.25-30.00	95,927,085	95,927,085	8.88-30.00
USD	15,556,357	36,073,636	2.07	24,085,148	49,701,213	2.13-25.00
	146,935,894			145,628,298		

Details of financial lease obligations are as follows:

	31 December 2014	31 December 2013
Short-term financial lease obligations		
Up to 1 year	44,211	97,487
Less: Future finance charges on financial lease	(1,449)	(10,878)
	42,762	86,609
Long-term financial lease obligations		
1 to 2 years	675	49,711
Less: Future finance charges on financial lease	-	(3,375)
	675	46,336

14 - PROPERTY AND EQUIPMENT

	Office equipment	Furniture and fixtures	Other tangible assets	Leasehold improvements	Total
31 December 2014					
Net book value, 1 January 2014	477,025	730,127	39,050	54,461	1,300,663
Additions	101,670	109,758	5,986	110,442	327,856
Disposals (-)	7,303	-	21,510	-	28,813
Depreciation charge (-)	205,349	288,564	5,733	20,169	519,815

Net book value	366,043	551,321	17,793	144,734	1,079,891
-----------------------	----------------	----------------	---------------	----------------	------------------

Cost	3,074,484	2,501,290	230,749	1,938,196	7,744,719
Accumulated depreciation (-)	2,708,441	1,949,969	212,956	1,793,462	6,664,828

Net book value	366,043	551,321	17,793	144,734	1,079,891
-----------------------	----------------	----------------	---------------	----------------	------------------

	Office equipment	Furniture and fixtures	Other tangible assets	Leasehold improvements	Total
--	------------------	------------------------	-----------------------	------------------------	-------

31 December 2013

Net book value, 1 January 2013	265,665	632,004	620	42,211	940,500
Additions	415,413	446,501	42,332	27,773	932,019
Disposals (-)	-	6,595	-	-	6,595
Depreciation charge (-)	204,053	341,783	3,902	15,523	565,261

Net book value	477,025	730,127	39,050	54,461	1,300,663
-----------------------	----------------	----------------	---------------	---------------	------------------

Cost	2,972,814	2,391,532	224,763	1,827,754	7,416,863
Accumulated depreciation (-)	2,495,789	1,661,405	185,713	1,773,293	6,116,200

Net book value	477,025	730,127	39,050	54,461	1,300,663
-----------------------	----------------	----------------	---------------	---------------	------------------

As of 31 December 2014 and 2013 there is no restriction or mortgage on the Group's tangible assets.

15 - INTANGIBLE ASSETS**A. OTHER INTANGIBLE ASSETS**

	1 January 2014	Additions	Disposals	31 December 2014
Cost	1,077,939	171,435	-	1,249,374
Accumulated amortization (-)	370,959	175,014	-	545,973
Net book value	706,980			703,401

	1 January 2013	Additions	Disposals	31 December 2013
Cost	562,894	515,045	-	1,077,939
Accumulated amortization (-)	211,588	159,371	-	370,959
Net book value	351,306			706,980

B. GOODWILL

i. The transfer of ÜNLÜ Menkul Değerler A.Ş.'s 142,216,490 units of shares of a total of 179,399,700 units of shares with a value of 1 (one) kuruş (TRY0.01) each, that constitutes 53% of the Company, that is owned by Standard Bank London Holdings Limited, and 59,033,300 units of shares which constitute 22% of the Company with a value of 1 (one) kuruş (TRY0.01) each owned by Mahmut Levent Ünlü, to ÜNLÜ Finansal Yatırımlar A.Ş., 99.99% of whose shares are owned by Mahmut Levent Ünlü, via the share transfer agreement dated 10 April 2012 was approved by CMB on 29 August 2012.

ÜNLÜ Finansal Yatırımlar A.Ş. had become controlling shareholder by buying 142,216,490 units of shares of ÜNLÜ Menkul which constitutes 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 ÜNLÜ Alternative Asset Management (Isle of Man) to its financial statements, by buying 100% shares of these companies as of 1 November 2012.

ii. Among these companies; the Company purchased 100% of SU General Partners S.A. total 3,617 units of shares via purchasing 2,417 units of shares that constitute 67% from Standard Bank PLC, 795 units of shares that constitute 22% from Mahmut Levent Ünlü, and the remaining 403 units of shares that constitute 11% from three different shareholders.

iii. As of 1 November 2012, the Company purchased 100% of ÜNLÜ Alternative Asset Management that constitutes 6,686 units of shares by acquiring 3,615 units of shares that constitutes 67% from Standard Bank PLC, 2,199 units of shares that constitute 22% from Mahmut Levent Ünlü, and remaining 1,115 units of shares that constitute 11% from three different shareholders.

Net assets acquired by the Group and the details of the calculation of goodwill explained in the previous page are as follows:

Acquisition cost	77,865,314
Contingent considerations	-
Net acquisition cost	77,865,314

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	66,581,075
Trade receivables	73,219,940
Other long term receivables	9,233,899
Financial investments	6,375,693
Property and equipment	829,328
Other current assets	589,422
Intangible assets	91,923
Financial liabilities	(68,077,741)
Provisions for employee benefits	(9,234,189)
Other payables	(8,791,049)
Trade payables	(4,936,085)
Deferred tax liabilities	(1,702,432)
Net assets acquired	64,179,784
Owner of the parent	48,666,988
Goodwill	29,198,326
Net acquisition cost	77,865,314
Cash and cash equivalents	(66,581,075)
Net cash flows	11,284,239

The Group applies an impairment test to the assets recorded as goodwill items on each 31 December. As of 31 December 2014, the Group reviewed its valuation methods, analyzed future revenue expectations and applied goodwill impairment test on these expectations using discounted cash flow method, with the conclusion to that no impairment was identified.

16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**(i) Short term provisions**

	31 December 2014	31 December 2013
Provision for lawsuits (*)	354,000	245,000
	354,000	245,000

(*) As of 31 December 2014 provision for lawsuits amounting to TRY 354,000 (31 December 2013: TRY 245,000) consists of provisions for reemployment lawsuits.

Provision for lawsuits movement for the period ended 31 December 2014 and 2013 is as follows:

	31 December 2014	31 December 2013
Beginning of the period	245,000	468,571
Increase during the period	109,000	245,000
Payment during the period (-)	-	(468,571)
End of the period	354,000	245,000

(ii) Assets kept on behalf of customers

	31 December 2014	31 December 2013
Securities kept on behalf of customers:		
Investment funds	3,987,953,348	1,921,488,942
Common stocks	403,928,770	355,264,191
Private sector cooperate bond, treasury bills and government bonds	31,988,560	18,724,651

(iii) Letter of guarantees given

	31 December 2014	31 December 2013
Collateral provided to courts and directorate of bailiff and execution (*)	11,316,807	3,833,251
Transaction collateral for BIST bonds and bills market	2,200,000	2,200,000
Collateral for CMB brokerage operations	1,551,776	1,550,000
Transaction collateral for BIST equity market	1,250,000	1,000,000
Ministry of finance	74,749	74,749
Collateral given to Turk Telekomünikasyon A.Ş.	18,200	18,200
Collateral given to Aselsan Elektronik San. ve Tic. A.Ş.	100,000	-

(*) 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 subsidiary İSTANBUL Varlık Yönetim A.Ş.

16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(iv) Securities given as collaterals

As of 31 December 2014 and 2013 securities given as collaterals are as follows (Note 6):

	31 December 2014		31 December 2013	
	Nominal value	Fair value	Nominal value	Fair value
BIST Treasury and Bond Market	200,000	186,048	200,000	184,264
CMB	200,000	208,114	100,000	92,158
	400,000	394,162	300,000	276,422

(v) Explanation about derivative transactions

Definition of derivative instruments	31 December 2014		31 December 2013	
	Assets	Liability	Assets	Liability
Option contract (*)	-	-	134	-
	-	-	134	-

(*) As of 31 December 2014, there is no option contract (31 December 2013: “Put-sell” option contract is signed between the Group and Turk Ekonomi Bankası A.Ş. with a maturity of 2 January 2014 and nominal amount USD53,000. After the fair value work carried out as regards to this contract, asset amounting to TRY 134 is booked to “Financial investments”).

(vi) Contingent liabilities

As of 31 December 2014, the total contingent capital amount that is subject to capital increase in the following periods, for all shareholders of 212 Capital Partners I Coöperatief U.A. that are the shares which are classified by the Company as available for sale financial assets with a 3.31% share rate, is USD30,200,000. For the period ending on 31 December 2014, a capital increase through rights issues was made in 2014 and ÜNLÜ Finansal Yatırımlar A.Ş. paid USD150,000 into this increase (USD100,000 on 9 May 2014 and USD50,000 on 22 September 2014), which corresponds to TRY 318,621 (Note 6).

As of 31 December 2014, the total contingent capital amount which is subject to capital increase in the following periods, for all shareholders of ÜNLÜ LT Investments Limited Partnership that are the shares which are classified by the Company’s subsidiary TAIL as investments valued with the equity methods with a 9.09% share rate, is USD110,000,000 (Note 6).

17 - PROVISION FOR EMPLOYEE BENEFITS

	31 December 2014	31 December 2013
Short term employee benefits		
Bonus provision	4,829,800	9,627,709
Unused vacation provision	1,613,805	1,481,236
	6,443,605	11,108,945

Long term employee benefits		
Provision for employment termination benefits	1,049,438	817,367
	1,049,438	817,367

The Company declared that, within the scope of the new amendments regarding bonus policy, it will give Group employees who had a performance bonus over a certain amount calculated in their names a pledged share certificate as an additional right, and regarding a separate agreement to be made with the Company and that this pledge will be removed by the Company on the condition that the requirements of the said agreement are met (Note 18).

Provisions for employment termination benefits

Under the Turkish Labor Law, the Group 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 TRY 3,438 (31 December 2013: TRY 3,129) for each period of service at 31 December 2014.

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.

	31 December 2014	31 December 2013
Discount rate (%)	3.30	2.50
Turnover rate to estimate the probability of retirement (%)	95	93

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 TRY 3,541 (1 January 2014: TRY 3,438).

Movements in the provision for employee bonus for the period ended 31 December 2014 and 2013 are as follows:

	31 December 2014	31 December 2013
Beginning of the period	9,627,709	4,078,626
Increase during the period	4,829,800	9,627,709
Payment during the period (-)	(9,627,709)	(4,078,626)
End of the period	4,829,800	9,627,709

Movements in the provision for unused vacation for the period ended 31 December 2014 and 2013 are as follows:

	31 December 2014	31 December 2013
Beginning of the period	1,481,236	1,315,036
Increase during the period	463,901	300,929
Payment during the period (-)	(331,332)	(134,729)
End of the period	1,613,805	1,481,236

Movements in the provision for employment termination benefits for the period ended 31 December 2014 and 2013 are as follows:

	31 December 2014	31 December 2013
Beginning of the period	817,367	873,542
Service cost	189,794	155,093
Interest cost	99,565	78,040
Actuarial losses/(gains)	261,061	(139,833)
Payment during the period (-)	(318,349)	(149,475)
End of the period	1,049,438	817,367

18 - SHAREHOLDERS’ EQUITY

Share capital

As of 31 December 2014 and 2013, share capital structure of the parent Company is as follows:

Name of the shareholder	31 December 2014		31 December 2013	
	Amount (TRY)	Share (%)	Amount (TRY)	Share (%)
Mahmut Levent Ünlü	31,999,996	99.5223	31,999,996	99.9900
Kağan Çevik (*)	58,200	0.0018	-	-
Tunç Yıldırım (*)	29,100	0.0009	-	-
Mehmet Batur Özyar (*)	11,016	0.0003	-	-
Simge Ündüz (*)	10,809	0.0003	-	-
Can Ünalın (*) (**)	10,394	0.0003	1	0.0000
İbrahim Romano (*) (**)	9,978	0.0003	1	0.0000
Tahir Selçuk Tuncalı (*) (**)	9,978	0.0003	1	0.0000
Vedat Mizrahi (*)	7,275	0.0002	-	-
Mehmet Sait Sezgin (*)	6,859	0.0002	-	-
Kamil Atilla Köksal (**)	1	0.0000	1	0.0000
	32,153,606	100.00	32,000,000	100.00

(*) With Decision No. 6, dated 22 January 2014, new amendments regarding the Company’s bonus policy for the company-employee relationships of ÜNLÜ Finansal Yatırımlar A.Ş. were declared and will be valid as of and after 1 January 2014. The main purpose of the new policy, called a long term incentive procedure, is to sustain employee motivation and loyalty to the Group and their continued contribution to corporate targets with remuneration and reward policies.

Within this framework, for employees whose total gross bonus amounted to USD300,000 or higher at the end of the said performance year, the Group pays 65% of said amount, and for employees whose total gross bonus amount calculated at the end of said performance year is between USD150,000 and USD299,999, the Group pays 75% of the said amount in cash by the end of March of the year following the performance year, as a success bonus by the subsidiaries of the Company. The remaining 35% and 25% of the total gross bonus amounts are paid in cash by the subsidiaries of the Company, in accordance with the separate share purchase agreement made between ÜNLÜ Finansal Yatırımlar A.Ş. (“ÜFY”) and Group employees on behalf of the employees who were entitled to this performance bonus as an additional right, on the condition that the new shares which are issued by ÜFY and has a pledge of the Company over them, are purchased.

Within this scope, in 2014 the Company issued and registered 153,606 shares worth TRY1,186,852 on behalf of Group employees, within the scope of the bonus policy mentioned above. However, the Company’s obligation to deliver these pledged shares to the employees that these shares are registered on behalf of will only arise within the scope of the requirements and when the loyalty period ends. As per the same agreement, the Company has the right to pay the current market value of the shares as of the delivery date to the employees who are entitled to these shares, instead of delivering them the shares.

(**) Shares of the Company shareholders Can Ünalın, İbrahim Romano, Tahir Selçuk Tuncalı, and Kamil Atilla Köksal, which have a nominal value of TRY 1, are not within the scope of the bonus policy described above.

With the decision of the Ordinary General Assembly dated 4 September 2012, the capital of ÜNLÜ Finansal Yatırımlar A.Ş. was raised to TRY 32,000,000 from TRY 50,000. Capital increase had been fully covered by Mahmut Levent Ünlü. This capital increase decision had been registered with Trade Registry Gazette numbered 8154 dated 11 September 2012.

As of 31 December 2014, the registered share capital of the Company is TRY32,153,606 (31 December 2013: TRY32,000,000). The Company’s share capital is comprised of 32,153,606 issued shares, each having TRY 1 nominal value (31 December 2013: TRY 1, 32,000,000).

As a result of the Ordinary General Assembly meeting held on 23 May 2015, the paid-in capital of the Company was increased from TRY32,000,000 to TRY32,153,606 , and Article 6 of the Company’s Articles of Association was changed. This capital increase was made by issuing shares at a premium, and pre-emptive rights of Mahmut Levent Ünlü and Kamil Atilla Köksal were removed.

As per the share transfer agreement signed between ÜNLÜ Finansal Yatırımlar A.Ş. and the Standard Bank London Holdings Limited on 10 April 2012, there is a blockage on 201,249,800 shares of ÜNLÜ Menkul (2013: 201,249,800).

Share premium

For the year ended 31 December 2014, the share based right amounts that are obtained within the premium system stated above are accounted for on an accrual basis. Of the TRY1,186,824 premium amounts paid in cash by registering shares on behalf of the employees, a total of TRY593,426, which is calculated by taking the term of office of these employees, is recognized under equity, TRY153,606 is recognized under paid-in capital, and TRY439,820 is recognized under share premiums.

Other comprehensive income

As of 31 December 2014, there is no revaluation fund from available-for-sale financial assets (31 December 2013: TRY 625.541 value increase) classified under shareholders’ equity. In addition, due to on IAS 19 standard, the Group has actuarial loss amounting to TRY56,823 (31 December 2013: TRY83,900 actuarial gain) of net tax comes from employee termination benefit provision.

Currency translation profit amounting to TRY4,279,541 (31 December 2013: TRY2,665,428 currency translation loss) which is booked to “Currency translation differences” under shareholders’ equity is due to translation of equity items of the subsidiaries subject to consolidation with period-end closing exchange rates and profit and loss items with annual average exchange rates.

Retained earnings

As of 31 December 2014, retained earnings of the Group are TRY19.786.051 (31 December 2013: TRY9,652,971).

19 - SALES AND COST OF SALES

	1 January - 31 December 2014	1 January - 31 December 2013
Sales	113,016,051	91,236,562
Sales of government bonds	99,989,222	88,003,462
Sales of common stocks	7,790,602	117,320
Consultancy income	3,574,948	2,603,830
Sales of treasury bills	1,661,279	511,950
Service income	89,552,484	123,414,927
Interest income from loans (*)	50,116,485	70,757,269
Commission on sales of common stocks	13,742,736	25,628,410
Foreign corporate finance income	13,455,748	11,934,081
Domestic corporate finance income	9,032,693	13,576,248
Portfolio management income	1,560,884	399,699
Commission on custody transactions	228,264	237,301
Collection service income	-	293,217
Other service income	1,415,674	588,702
Deductions from services income (-)	18,423,705	38,586,440
Deductions from services income (-)	18,033,798	38,586,440
Commission expense (-)	389,907	-
Gross operating profit	184,144,830	176,065,049
Cost of sales (-)	109,217,059	88,500,442
Cost of government bonds sales (-)	99,928,371	87,881,909
Cost of common stock sales (-)	7,785,379	118,533
Cost of treasury bills sales (-)	1,503,309	500,000
Gross profit	74,927,771	87,564,607

(*) The interest income from loans has been composed of collections from non-performing loan receivables of the Company’s direct subsidiary, İSTANBUL Varlık. Interest expenses on borrowings which are used for financing of these receivables are classified under financial expense (Note 23).

20 - EXPENSES BY NATURE

	1 January - 31 December 2014	1 January - 31 December 2013
Marketing expenses		
Marketing and distribution expenses	387,739	574,349
Advertisement and publicity expenses	342,261	199,245
Representation expenses	230,118	227,823
	960,118	1,001,417

	1 January - 31 December 2014	1 January - 31 December 2013
General administrative expenses		
Personnel expenses	37,260,169	42,566,669
Consultancy and audit expenses	5,360,206	6,784,730
Rent expenses	2,427,971	2,166,618
Data line rental expense	1,395,727	1,090,067
Tax and sundry expenses	1,214,189	1,220,439
Travel expenses	1,122,174	1,489,503
Communication expenses	1,015,609	1,518,145
Depreciation and amortization expenses (Note 14 and 15)	722,612	724,632
Office building administrative expenses	621,485	650,501
Vehicle expenses	574,675	424,209
Lawsuit provision expenses	109,000	245,000
Information technology expenses	292,140	315,290
Other general administrative expenses	3,576,287	3,281,438
	55,692,244	62,477,241

21 - OTHER OPERATING INCOME/EXPENSE

	I January - 31 December 2014	I January - 31 December 2013
Other operating income		
Indemnity income (*)	-	916,650
Other service income	190,244	99,984
	190,244	1,016,634
Other operating expense		
Other service expenses	567	71,709
	567	71,709

(*)DU Finans has sued action for compensation RCT Varlık Yönetimi A.Ş. at 25 March 2009 which had outcome amounted by USD450,000 as of 16 December 2013.

22 - FINANCIAL INCOME

	I January - 31 December 2014	I January - 31 December 2013
Foreign exchange gain	15,968,257	15,477,060
Interest income	4,836,886	5,355,691
Dividend income	60,882	85,482
Income from valuation of financial liabilities (*)	-	8,813,876
Other financial income	56,613	478,192
	20,922,638	30,210,301

(*)Contingent liabilities were calculated related to the share transfer agreement between SBIC Investments S.A. and the Company signed on 24 March 2011 for a share transfer of İSTANBUL Varlık. This amount is calculated based on the management's estimates by using the assets and liabilities in the financial statements as at 31 December 2013 of İSTANBUL Varlık, which is referred to the agreement. Contingent liabilities are spread across a term of five years. There is no contingent liability payment made to SBIC Investments S.A within the years 2014 and 2013 and, according to the new agreement that modifies this share purchase agreement; SBIC Investment SA waived all of its receivables.

23 - FINANCIAL EXPENSE

	I January - 31 December 2014	I January - 31 December 2013
Foreign exchange losses	18,284,272	17,879,639
Interest expenses (*)	13,944,251	15,964,492
Other financial expense	362,510	267,633
	32,591,033	34,111,764

(*)Interest expenses include TRY12,471,291 (31 December 2013: TRY14,866,256) of borrowing interest expenses that are used for financing of non-performing loan receivables of the Company's direct subsidiary İSTANBUL Varlık.

24 - 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 quarterly 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.

24 - TAX ASSETS AND LIABILITIES (Continued)

	I January - 31 December 2014	I January - 31 December 2013
Current year tax expense	1,433,715	3,942,858
Deferred tax (income)/expense	(235,303)	922,206
Total tax expense	1,198,412	4,865,064

The breakdown of cumulative temporary differences and the related deferred tax assets and liabilities as of 31 December 2014 and 2013 calculated using the enacted tax rates, are as follows:

	Temporary differences 31 December 2014	31 December 2013	Deferred tax assets/ (liabilities) 31 December 2014	31 December 2013
Tax deductible previous years' losses	61,369,577	23,761,846	12,273,915	4,752,369
Provision for employment termination benefit and vacation pay liability	2,663,242	2,298,603	532,648	459,720
Lawsuit provision	354,000	245,000	70,800	49,000
Expense accruals	153,990	56,303	30,798	11,261
Other	2,462	-	491	-
Deferred tax assets			12,908,652	5,272,350
Loans and receivables valuation differences	70,794,517	40,534,161	14,158,903	8,106,832
Tax effect arising from investments valuated with equity method	15,151,225	11,423,080	3,030,245	2,284,616
Difference between tax base and carrying value of tangible and intangible assets	195,156	192,957	39,031	38,591
Other	19,802	11,789	3,961	2,358
Deferred tax liabilities			17,232,140	10,432,397
Impairment on deferred tax assets (*)			(549,046)	-
Net-off			(9,634,059)	(4,795,603)
Deferred tax assets			2,725,547	476,747
Deferred tax liabilities			7,598,081	5,636,794

(*)As of 31 December 2014, PLATO Finans, subsidiary of the Company, had considered its work plan, and impaired its deferred tax asset which can be deducted from tax base in the following years, amounting to TRY549,046.

24 - TAX ASSETS AND LIABILITIES (Continued)

Expected income tax reconciliation using the Company's statutory tax rate:

	31 December 2014	31 December 2013
Profit before tax	9,357,108	20,423,019
Theoretical income tax at the applicable tax rate of 20%	1,871,422	4,084,604
Portion of income of investments accounted through equity method	(780,368)	141,278
Impact of different tax rates applicable to profits in the respective countries	186,700	367,624
Taxation effects of consolidation adjustments	(162,651)	-
Non-deductible expenses	73,599	266,672
Other	9,710	4,886
Current year tax expense	1,198,412	4,865,064

As of 31 December 2014, the Company has TRY11,035,093 accumulated losses. As of 31 December 2014 tax deductible losses and last deduction dates of the Company are as follows:

	Carry forward tax losses	Last deduction date
2013	6,991,574	31 December 2018
2014	4,043,519	31 December 2019
	11,035,093	

As of 31 December 2014, İSTANBUL Varlık, subsidiary to the Company, has TRY47,729,977 accumulated losses. As of 31 December 2014 tax deductible losses and last deduction dates of İSTANBUL Varlık are as follows:

	Carry forward tax losses	Last deduction date
2012	284,301	31 December 2017
2013	23,297,545	31 December 2018
2014	24,148,131	31 December 2019
	47,729,977	

As of 31 December 2014, PLATO Finans, subsidiary of the Company, has TRY2,604,507 accumulated losses. As of 31 December 2014, PLATO Finans's tax losses carried forward and last deduction dates are as follows:

	Carry forward tax losses	Last deduction date
2014 (*)	2,604,507	31 December 2019
	2,604,507	

(*)As of 31 December 2014, PLATO Finans, subsidiary of the Company, had considered its work plan, and impaired its deferred tax asset which can be deducted from tax base in the following years, amounting to TRY520,901.

25 - EARNINGS PER SHARE

Earnings per share are calculated through division of net profit to weighted average number of shares:

	31 December 2014	31 December 2013
Basic		
1. Profit from continuing operations attributable to owners of the parent	5,949,590	10,076,831
2. Weighted average number of ordinary shares in issue	32,089,604	32,000,000
3. Earnings per share (1/2)	0,1854	0,3149
Diluted		
4. Profit from continuing operations attributable to owners of the parent	5,949,590	10,076,831
5. General administrative expenses arising from share-based payments	73,275	-
6. Profit used to determine diluted earnings per share (4+5)	6,022,865	10,076,831
7. Weighted average number of ordinary shares in issue	32,089,604	32,000,000
8. Adjustments for: Share-based payments	29,360	-
9. Weighted average number of ordinary shares for diluted earnings per share (7+8)	32,118,964	32,000,000
10. Diluted earnings per share (6/9)	0,1875	0,3149

26 - 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.

26 - FINANCIAL RISK MANAGEMENT (Continued)

i. Information on credit risk

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment.

31 December 2014	Trade receivables		Other receivables		Bank deposits	Financial investments
	Related parties	Other parties	Related parties	Other parties		
Maximum credit risk exposure as of the financial statements date (A+B+C+D)	7,145,563	135,063,620	582,229	4,047,177	64,553,636	10,426,096
- Maximum credit risk under guaranteed through net collateral, or etc,						
A. Net carrying value of financial						
assets which are neither impaired nor overdue	7,145,563	224,139,797	582,229	4,047,177	64,553,636	10,426,096
B. Net carrying value of impaired assets collateralized portion of the net exposure	-	-	-	-	-	-
C. Net book value of assets exposed to impairment loss	-	89,076,177	-	-	-	-
- Overdue (gross book value)	-	-	-	-	-	-
- <i>Impairment loss (-)</i>	-	89,076,177	-	-	-	-
- The part under guaranteed through net collateral, or etc	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-
- <i>Impairment loss (-)</i>	-	-	-	-	-	-
- <i>The part under guaranteed through net collateral, or etc,</i>	-	-	-	-	-	-
D. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-

31 December 2013	Trade receivables		Other receivables		Bank deposits	Financial investments
	Related parties	Other parties	Related parties	Other parties		
Maximum credit risk exposure as of the financial statements date (A+B+C+D)	4,255,369	119,422,307	269,488	4,047,691	79,006,589	7,548,419
- Maximum credit risk under guaranteed through net collateral, or etc,						
A. Net carrying value of financial						
assets which are neither impaired nor overdue	4,255,369	190,464,686	269,488	4,047,691	79,006,589	7,548,419
B. Net carrying						
value of impaired assets collateralized portion of the net exposure	-	-	-	-	-	-
C. Net book value of assets exposed to impairment loss	-	71,042,379	-	-	-	-
- Overdue (gross book value)	-	-	-	-	-	-
- <i>Impairment loss (-)</i>	-	71,042,379	-	-	-	-
- <i>The part under guaranteed through net collateral, or etc</i>	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-
- <i>Impairment loss (-)</i>	-	-	-	-	-	-
- The part under guaranteed through net collateral, or etc,	-	-	-	-	-	-
D. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-

For the purposes of the table above, collaterals and other guarantees which increase the collectability of the financial asset are not taken into account.

26 - FINANCIAL RISK MANAGEMENT (Continued)

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 2014 and 2013:

	31 December 2014						Total contractual cash outflows
	Carrying value	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	Demand	
Financial liabilities	146,979,331	9,152,789	4,604,736	24,037,769	91,165,720	31,529,286	160,490,300
Trade payables	20,275,958	2,058,528	18,209,966	7,464	-	-	20,275,958
Other payables and liabilities	9,985,128	5,752,107	4,158,187	-	74,834	-	9,985,128
Total liabilities	177,240,417	16,963,424	26,972,889	24,045,233	91,240,554	31,529,286	190,751,386

	31 December 2013						Total contractual cash outflows
	Carrying value	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	Demand	
Financial liabilities	145,761,243	2,636,589	5,468,906	22,592,937	79,943,864	46,376,947	157,019,243
Trade payables	9,761,637	1,471,387	8,248,728	41,522	-	-	9,761,637
Other payables and liabilities	12,359,118	7,270,519	215,378	-	78,868	4,794,353	12,359,118
Total liabilities	167,881,998	11,378,495	13,933,012	22,634,459	80,022,732	51,171,300	179,139,998

iii. Information on market risk

Foreign currency risk

Assets and liabilities denominated in foreign currency held by the Group at 31 December 2014 and 2013 in original currency and total TRY equivalents are as follows:

	31 December 2014				31 December 2013			
	TRY Equivalent	USD	EUR	GBP	TRY Equivalent	USD	EUR	GBP
Cash at banks	22,052,924	9,299,670	37,535	106,239	34,396,942	16,109,237	4,689	350
Trade receivables	8,631,604	3,436,190	235,197	-	36,966,193	17,309,244	7,857	-
Total assets	30,684,528	12,735,860	272,732	106,239	71,363,135	33,418,481	12,546	350
Financial liabilities	-	-	-	-	31,249,769	14,641,695	-	-
Trade payables	9,489,518	3,875,683	37,732	110,054	18,959,597	8,875,987	4,886	350
Other liabilities	-	-	-	-	29,815	13,969	-	-
Total liabilities	9,489,518	3,875,683	37,732	110,054	50,239,181	23,531,651	4,886	350
Net foreign currency position	21,195,010	8,860,177	235,000	(3,815)	21,123,954	9,886,830	7,660	-

Foreign currency sensitivity analysis

31 December 2014

	Profit/loss		Shareholders' equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
10% change in USD foreign currency rate				
1. USD net asset/(liability)	2,054,586	(2,054,586)	2,054,586	(2,054,586)
2. Hedged portion against USD currency risk (-)	-	-	-	-
3. Net effect of USD (1+2)	2,054,586	(2,054,586)	2,054,586	(2,054,586)
10% change in EUR foreign currency rate				
4. EUR net asset/(liability)	66,286	(66,286)	66,286	(66,286)
5. Hedged portion against EUR currency risk (-)	-	-	-	-
6. Net effect of EUR (4+5)	66,286	(66,286)	66,286	(66,286)
10% change in GBP foreign currency rate				
7. GBP net asset/(liability)	(1,372)	1,372	(1,372)	1,372
8. Hedged portion against GBP risk (-)	-	-	-	-
9. Net effect of GBP (7+8)	(1,372)	1,372	(1,372)	1,372
Total (3+6+9)	2,119,500	(2,119,500)	2,119,500	(2,119,500)

31 December 2013

	Profit/loss		Shareholders' equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
10% change in USD foreign currency rate				
1. USD net asset/(liability)	2,110,146	(2,110,146)	2,110,146	2,110,146
2. Hedged portion against USD currency risk (-)	-	-	-	-
3. Net effect of USD (1+2)	2,110,146	(2,110,146)	2,110,146	(2,110,146)
10% change in EUR foreign currency rate				
4. EUR net asset/(liability)	2,249	(2,249)	2,249	(2,249)
5. Hedged portion against EUR currency risk (-)	-	-	-	-
6. Net effect of EUR (4+5)	2,249	(2,249)	2,249	(2,249)
10% change in GBP foreign currency rate				
7. GBP net asset/(liability)	-	-	-	-
8. Hedged portion against GBP risk (-)	-	-	-	-
9. Net effect of GBP (7+8)	-	-	-	-
Total (3+6+9)	2,112,395	(2,112,395)	2,112,395	(2,112,395)

The exchange rates that are used in the translation of monetary assets and liabilities are as follows;

	31 December 2014	31 December 2013
USD	2.3189	2.1343
EUR	2.8207	2.9365
GBP	3.5961	3.5114

26 - FINANCIAL RISK MANAGEMENT (Continued)

Interest rate risk

According to the daily market conditions, the Group invests its cash as securities held for trading, reverse repurchase agreements or bank deposits.

Interest rate profile

	31 December 2014	31 December 2013
Fixed rate financial instruments		
Financial assets		
Investment securities held for trading	394,162	276,422
Time deposits and receivables from reverse repurchase agreements	63,613,974	74,697,167
Financial liabilities		
Financial liabilities	77,081,358	56,020,365
Floating rate financial instruments		
Financial assets		
Investment securities held for trading	4,684,271	1,501,054
Financial liabilities		
Financial liabilities	69,897,973	89,740,878

The profit before tax of the Group from the financial asset valuation will decrease by TRY58,312 (31 December 2013: TRY22,755) and increase by TRY58,513 (31 December 2013:TRY23,012) in the case of a 1% decrease/increase in TRY market interest rates with all other factors remaining constant as of 31 December 2014.

iv. Share capital management

The Group’s objectives when managing capital is to decrease the investment risk through portfolio diversification. The Group tries to provide returns for shareholders, preserve and increase the value of its portfolio. In order to add value to its portfolio, the Group invests in high yielding marketable securities and other financial instruments, monitors the developments in capital markets, other financial institutions and modifies its portfolio strategy accordingly.

27 - FINANCIAL INSTRUMENTS

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

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.

The fair values and carrying values of financial assets and liabilities of the Group are as follows:

	Carrying value		Fair value	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Financial assets				
Banks	64,553,636	79,006,589	64,553,636	79,006,589
Trade receivables	142,209,183	123,677,676	142,209,183	123,677,676
Financial assets	9,186,792	6,774,348	9,186,792	6,774,348
Financial liabilities				
Financial liabilities	146,979,331	145,761,243	146,979,331	145,761,243

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.

27 - FINANCIAL INSTRUMENTS (Continued)

31 December 2014	Level 1	Level 2	Level 3	Total
Financial assets held for trading	6,263,700	-	-	6,263,700
Available-for-sale financial assets (*)	-	-	2,923,092	2,923,092
31 December 2013	Level 1	Level 2	Level 3	Total
Financial assets held for trading	4,438,431	-	134	4,438,565
Available-for-sale financial assets (*)	-	-	2,335,783	2,335,783

(*) Available for sale financial assets include equity shares of companies are shown with their cost values since the fair values are not reliably measured.

28 - DISCLOSURES OF INTERESTS IN OTHER ENTITIES

	Non-controlling interests	Non-controlling interests in current year	Retained non-controlling interests	Dividend paid to non-controlling interests
31 December 2014				
ÜNLÜ Menkul	25%	2,208,762	16,909,451	2,750,000
MENA Finans	25%	344	29,302	-
		2,209,106	16,938,753	2,750,000
31 December 2013				
ÜNLÜ Menkul	25%	5,545,508	17,283,510	-
MENA Finans	80%	(64,384)	43,804	-
		5,481,124	17,327,314	-

ÜNLÜ Menkul, subsidiary of the Company, generates almost all the non-controlling part of the Group. ÜNLÜ Menkul’s condensed financial information given as follows.

	31 December 2014	31 December 2013
ÜNLÜ Menkul information of condensed balance sheet:		
Current assets	212,071,718	205,229,039
Non-current assets	5,631,983	6,386,648
Total assets	217,703,701	211,615,687
Short-term financial liabilities	24,169,531	15,391,386
Other short-term liabilities	33,664,249	29,725,241
Long-term financial liabilities	86,736,164	90,589,978
Other long-term liabilities	5,617,272	7,314,984
Total liabilities	150,187,216	143,021,589
Net assets	67,516,485	68,594,098
Net assets attributable to:		
Non-controlling interests	(258,842)	504,767
Equity holders of the parent	67,775,327	68,089,331
ÜNLÜ Menkul information of condensed income statement:		
Sales	180,569,882	173,461,219
Net income for the period	9,370,513	22,257,307
Non-controlling interest	(742,390)	75,676
Equity holders of the parent	10,112,903	22,181,631
ÜNLÜ Menkul information of condensed cash flow statement:		
Cash flow used in by operating activities	(13,194,560)	(8,036,505)
Cash flows provided by investment activities	1,989,651	2,644,819
Cash flows (used in) /provided by financing activities	(6,075,669)	41,349,911
Net (decrease)/increase in cash and cash equivalents	(22,365,143)	36,680,074
Cash and cash equivalents at the beginning of the period	68,335,307	31,655,233
Cash and cash equivalents at the end of the period	45,970,164	68,335,307

Information above represented amounts before inter-company eliminations.

29 - SUBSEQUENT EVENTS

(i)Repo - Reverse Repo Certificate of Authority No. ARK-RP-300 granted by CMB to ÜNLÜ Menkul on 18 January 2013 is deemed to be invalid as described in Capital Markets Law No. 2499, considering the fact that repo and reverse repo transactions defined as capital market activity in the description in Capital Markets Law No. 2499 at the meeting No. 35 of CMB dated 16 December 2014 are not within the scope of the investment services and activities and ancillary services in the Capital Markets Law No. 6362. Accordingly, cancellation of this certificate was approved by Trade Registry on 5 January 2015.

(ii)With regard to Board of Directors decision dated 10 November 2014 of PLATO Finans, a subsidiary of the Company, it was resolved that a company with TRY 50,000 capital with the name of Plato Teknoloji Eğitim ve Danışmanlık A.Ş., whose sole shareholder and sole member of the Board of Directors will be PLATO Finans, is going to be established. Foundation decision of this company was promulgated on Turkish Trade Registry Gazette No.8745, dated 27 January 2015 following its registration on 21 January 2015.

(iii)With Board of Directors Decision No. 2015/3, dated 27 February 2015, the Company decided that debt instruments which have a maximum nominal value of TRY50,000,000 with fixed and/or variable interest rates, determined according to the market conditions on the issuance date, of different types and maturity terms, and to be issued at one time or more than once, will be issued to be sold to qualified investors without a public offering or via private placement.

(iv)With the CMB announcement No. 2015/8 dated 19 March 2015, it was permitted that umbrella funds named “ÜNLÜ Portföy Yönetimi A.Ş. Değişken Şemsiye Fon” and “ÜNLÜ Portföy Yönetimi A.Ş. Serbest Şemsiye Fon” can be established. ÜNLÜ Menkul’s requests for approval of the registration statements related to issuance of fund participation shares and change of founder in the funds with the names stated below were taken positively by CMB.

Title of the transferror company	Title of the funds transferred	Title of the assignee company	Title of the umbrella fund	Fund title
ÜNLÜ Menkul Değerler A.Ş.	ÜNLÜ Menkul Değerler A.Ş. A Tipi Değişken Fonu	ÜNLÜ Portföy Yönetimi A.Ş.	ÜNLÜ Portföy Yönetimi A.Ş. Değişken Şemsiye Fon	ÜNLÜ Portföy İkinci Değişken Fon
ÜNLÜ Menkul Değerler A.Ş.	ÜNLÜ Menkul Değerler A.Ş. B Tipi Değişken Fonu	ÜNLÜ Portföy Yönetimi A.Ş.	ÜNLÜ Portföy Yönetimi A.Ş. Değişken Şemsiye Fon	ÜNLÜ Portföy İkinci Değişken Fon
ÜNLÜ Menkul Değerler A.Ş.	ÜNLÜ Menkul Değerler A.Ş. Serbest Yatırım Fonu	ÜNLÜ Portföy Yönetimi A.Ş.	ÜNLÜ Portföy Yönetimi A.Ş. Serbest Şemsiye Fon	ÜNLÜ Portföy Mutlak Getiri Hedefli Serbest Fon
ÜNLÜ Menkul Değerler A.Ş.	ÜNLÜ Menkul Değerler A.Ş. Özel Serbest Yatırım Fonu	ÜNLÜ Portföy Yönetimi A.Ş.	ÜNLÜ Portföy Yönetimi A.Ş. Serbest Şemsiye Fon	ÜNLÜ Portföy Mutlak Getiri Hedefli Serbest Fon